United States Court of Appeals

FOR THE SECOND CIRCUIT

JOSEPH V. MANNING, AS PRESIDENT OF THE AMERICAN AIRLINES CHAPTER, FLIGHT ENGINEERS' INTERNATIONAL ASS'N, *et al.*, *Plaintiffs-Appellees*,

v.

AMERICAN AIRLINES, INC., *Defendant-Appellant.*

S. D. N. Y.
63 Civ. 1187
Docket No.
28461

CHARLES H. RUBY, AS PRESIDENT, etc., *Plaintiffs*,

v.

AMERICAN AIRLINES, INC., *Defendant-Appellant*,

and

NICHOLAS J. O'CONNELL, *et al.*, *Additional Defendants-Appellants*,

and

JOSEPH V. MANNING, AS PRESIDENT, etc., *Intervenors-Appellees.*

S. D. N. Y.
63 Civ. 585
Docket No.
28473

APPENDIX TO BRIEF FOR AMERICAN AIRLINES, INC., DEFENDANT-APPELLANT.

PART ONE.

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Explanation of the Arrangement of the Appendix.

This Court's order of September 18, 1963, consolidated for argument the appeals from injunctive orders in two separate cases. Docket No. 28473 (63 Civ. 585 below) is referred to herein as the "bargaining appeal", and Docket No. 28461 (63 Civ. 1187 below) is referred to as the "dues check-off appeal".

The appendix is in two parts; each is bound separately. This is Part One, which contains primarily items from the record in the dues check-off appeal. Also in this Part are the District Court's order in the bargaining appeal, O'Connell and Whitacre affidavits (with certain exhibits), portions of negotiating notes and excerpts from the transcripts of the same appeal.

Part Two of the appendix is devoted to items from the record in the bargaining appeal, with two exceptions: (i) American's Petition for Leave to Intervene in the NMB Proceeding with covering letter (60b-69b) is Defendant's Exhibit M in the dues check-off appeal and (ii) the crew complement agreement (75b-85b) is Defendant's Exhibit F in the dues check-off appeal (as well as being part of the record in the bargaining appeal).

The pagination in Part One uses the suffix "a" and, in Part Two, the suffix "b".

Statements Under Rule 15(b).

I. The Bargaining Appeal

This action, insofar as it involves the FEIA, was commenced on March 12, 1963, when the FEIA served an intervening complaint in the action commenced against appellant on March 1, 1963 by the Air Line Pilots Association, International. FEIA was granted leave to intervene on March 21 and, by order to show cause filed on March 25, 1963, the FEIA's motion for a preliminary injunction was brought on to be heard in conjunction with the evidentiary hearing on the Air Line Pilots Association's

motion for preliminary injunction. The hearings commenced on March 29.

By amended complaint, served on April 4, 1963, the FEIA added the additional appellants to this action. On April 5, Judge Wyatt temporarily restrained the additional appellants from signing an agreement with appellant or interfering with the flight engineers in their choice of bargaining representatives; the restraining order was extended to appellant on April 17. The order expired April 25, 1963.

The hearings continued until May 3, 1963. Judge Wyatt took all motions under advisement on May 27 following the submission of briefs by all parties.

On July 11 appellant filed a suggestion of mootness. Judge Wyatt heard counsel on August 6 and reserved decision.

In an opinion dated August 12, Judge Wyatt ruled against the suggestion of mootness, granted the motions for preliminary injunctions, and severed them from the part of the case involving the Air Line Pilots Association. The orders were signed on August 19.

Appellant filed its notice of appeal on September 18, and it was ordered that this appeal be consolidated with the dues check-off appeal for argument.

II. The Dues Check-Off Appeal.

This suit was commenced on April 25, 1963 by the service and filing of a verified complaint. The FEIA's motion for a preliminary injunction against appellant was brought on for hearing in motion part on April 30 before Judge Feinberg. However, because the parties were currently engaged in a hearing in another action, 63 Civ. 585, Judge Feinberg adjourned the hearing until May 7. On May 7, Judge Bryan heard arguments by counsel and concluded that the motion should be referred to Judge Wyatt.

Hearings commenced on May 10 and were concluded on May 17. On June 25, by order of Judge Ryan, this action

and the bargaining case were transferred to Judge Wyatt for all purposes, pursuant to District Court Rule 2(b).

In an opinion dated September 9, 1963, Judge Wyatt granted appellees' motion for a preliminary injunction and, pursuant to such opinion, an order was signed on September 16.

American filed its Notice of Appeal on September 16 and on the same date filed a motion (i) to stay the preliminary injunction pending determination of the appeal and (ii) for a preference on the appeal. The motion was heard on September 18. Argument was set for the week of October 21, 1963, the appeal was consolidated for argument with the bargaining appeal, and that part of the District Court's order requiring dues to be deducted retroactively was stayed.

Order of the District Court in Docket No. 28473 (Bargaining Appeal).*

Intervenors' motion for a preliminary injunction in their favor and against the defendant having come on for hearing, and the Court having considered the pleadings, the affidavits submitted in support of said motion and in opposition thereto, the evidence introduced in open court, and the memoranda of law submitted by the parties, and the Court having separately made and filed findings of fact and conclusions of law, it is

ORDERED that defendant, American Airlines, Inc., its officers, agents and employees, be and hereby are enjoined and restrained until final hearing and judgment:

1. From engaging in negotiations and collective bargaining concerning rules, rates of pay and work-

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* Second Supplemental Record, pp. 452-455.

ing conditions of the employees of defendant American Airlines, Inc., or any of them, employed in the craft or class of Flight Engineers, with any person, organization or group, other than the American Airlines Chapter, Flight Engineers' International Association, AFL-CIO.

2. From making, publishing or implementing, or in any manner causing to be made, published or implemented any agreement covering the rules, rates of pay or working conditions of the employees of defendant American Airlines, Inc., or any of them, employed in the craft or class of Flight Engineers, except such agreement or changes therein as may result from collective bargaining between defendant American Airlines, Inc. and the American Airlines Chapter, Flight Engineers' International Association, AFL-CIO.

3. From, directly or indirectly, in any way, manner or form, or by any means whatsoever, interfering with, influencing or coercing any of its flight engineer employees with respect to their free and untrammeled right of selecting or designating their representative or representatives for the purpose of making and maintaining agreements with American Airlines, Inc., relating to rules, rates of pay and working conditions, as well as for any and all other purposes of the Railway Labor Act (45 U. S. C. A. §151 and following):

and it is further

ORDERED that defendant American Airlines, Inc., by and through its duly authorized officers, agents, and employees, shall treat with American Airlines Chapter, Flight Engineers' International Association, AFL-CIO, and exert every reasonable effort to make and maintain agreements

concerning rates of pay, rules and working conditions respecting the craft or class of flight engineers; and it is further

ORDERED that under Fed. R. Civ. P. 65(c) intervenors are to give security in the form of a bond, with corporate surety, to be approved by the Court in the sum of one thousand dollars ($1000) conditioned for the payment of such costs and damages as may be incurred or suffered by any party who is found to have been wrongfully enjoined or restrained.

Nothing in this order is intended to limit any rights which any party may have under the Railway Labor Act (45 U. S. C. A. §151-188).

Dated: New York, New York
August 19, 1963

INZER B. WYATT
United States District Judge

NOTE: The opinion upon which the foregoing order was issued appears on page 1b through 57b of Part Two of this Appendix.

Order of the District Court in Docket No. 28461 (Dues Check-Off Appeal).

(469) WYATT, District Judge.

Plaintiffs' motion for a preliminary injunction in their favor and against the defendant having come on for hearing, and the Court having considered the pleadings, the affidavits submitted in support of said motion and in opposition thereto, the evidence introduced in open court, and the memoranda of law submitted by the parties, and the Court having separately made and filed findings of fact and conclusions of law, it is

Order of the District Court in Docket No. 28461 (Dues Check-Off Appeal)..

ORDERED that until (a) the final hearing and judgment herein or (b) the controversy has been finally acted upon as required by Section 5 of the Railway Labor Act (45 U. S. C. §155), by National Mediation Board, unless a period of ten days has elapsed after termination of conferences without request for or proffer of the services of the Mediation Board, whichever first occurs, defendant, American Airlines, Inc., its officers, agents and employees, be and hereby are enjoined and restrained from discontinuing the deduction of dues and the remittance thereof to the American Airlines (470) Chapter, Flight Engineers' International Association, AFL-CIO, in accordance with the practice established and followed under the dues check-off agreement entered into by American Airlines, Inc., and said Chapter, which agreement expired April 30, 1963; and it is further

ORDERED that defendant American Airlines, Inc., shall deduct and remit to the American Airlines Chapter, Flight Engineers' International Association, AFL-CIO, dues payments in the amount which was to be deducted and remitted between May 1, 1963, and the date of this Order; and it is further

ORDERED that until (a) the final hearing and judgment herein or (b) the controversy has been finally acted upon as required by Section 5 of the Railway Labor Act (45 U. S. C. §155), by National Mediation Board, unless a period of ten days has elapsed after termination of conferences without request for or proffer of the services of the Mediation Board, whichever first occurs, defendant American Airlines, Inc. shall continue the deduction and remittance of dues in accordance with said dues check-off agreement; and it is further

ORDERED that defendant American Airlines, Inc., by and through its duly authorized officers, agents, and employees, shall treat with the American Airlines Chapter, Flight

Opinion of the District Court in Docket No. 28461 (Dues Check-Off Appeal):

Engineers' International Association, AFL-CIO, and exert every reasonable effort to settle any controversy or dispute with said Chapter concerning the check-off of dues and whether there should, or should not, be an agreement therefor between the parties; and it is further

(471) ORDERED that under Fed. R. Civ. P. 65(c) plaintiffs are to give security in the form of a bond, with corporate surety, to be approved by the Court in the sum of two hundred and fifty dollars ($250) conditioned for the payment of such costs and damages as may be incurred or suffered by any party found to have been wrongfully enjoined or restrained.

Dated: New York, New York
September 16, 1963

INZER B. WYATT
United States District Judge

Opinion of the District Court in Docket No. 28461 (Dues Check-Off Appeal).

(315) WYATT, District Judge,

This motion by plaintiffs for a preliminary injunction raises questions under the Railway Labor Act (316), 45 U. S. C. §151 and following; (the "Act"), made applicable to air carriers by amendments effective April 10, 1936 (45 U. S. C. §181). The facts are perfectly clear and beyond dispute; the questions are only of law.

The action is for an injunction and a declaratory judgment. Plaintiffs are President Manning of American Airlines Chapter, Flight Engineers' International Association, AFL-CIO (the "Chapter") and the Chapter itself. Defendant (often called "American" or "the Company" herein) is a very large and important common carrier by air.

The Chapter has been for a number of years, and is now, the collective bargaining representative of the employees of American in the "craft or class" of flight engineers. In opposing the present motion, American contended that the status of the Chapter as representative was in doubt. This contention was also made in another action in this Court, but an opinion and decision in such other action (*Ruby, etc.* v. *American Airlines, Inc., et al.*, 63 Civ. 585), filed August 12, 1963, rejected the contention and for present purposes it is no longer available to defendant.

An agreement, usually called the "basic agreement", was made between American and its flight engineers, represented by the Chapter, effective May 1, 1958. The duration provision (317) of this basic agreement was in relevant part as follows:

> "This Agreement shall become effective May 1, 1958 and shall continue in full force and effect until April 30, 1963 and shall renew itself without change until each successive April 30 thereafter unless written notice of intended change is served in accordance with Section 6, Title I, of the Railway Labor Act, as amended, by either party hereto at least sixty (60) days prior to April 30 in any year after April 30, 1962; . . ."

There was a separate agreement between the parties, usually called the "dues check-off agreement", also effective May 1, 1958. This agreement provided for deduction of dues and payment thereof to the Chapter, as permitted by Section 2, Eleventh, (b), of the Act (45 U. S. C. §152, Eleventh, (b)). The duration provision of the dues check-off agreement was as follows:

> "G. This Agreement shall become effective May 1, 1958 and shall continue in full force and effect until April 30, 1963, and shall be subject to renewal there-

after only by mutual agreement of the parties hereto."

There was another separate agreement between the parties under which a system "board of adjustment" was established as required by the Act (45 U. S. C. §184). The duration provision of this adjustment board agreement was word for word the same as the part quoted above from the duration provision of the basic agreement.

It will be noted that the dues check-off agreement, unlike the two others, was not to "renew itself" but was to (318) be in effect only "until April 30, 1963" and was "subject to renewal thereafter only by mutual agreement of the parties hereto".

Under date of February 28, 1963, notices of intended changes in the *basic* agreement were given by the Chapter and by American under Section 6 of the Act (45 U. S. C. §156).

Under date of March 8, 1963, the Chapter gave a similar notice (often called a "Section 6 opener") to the Company with respect to the *dues check-off* agreement. The change proposed was in paragraph G, to make the duration of the dues check-off agreement the same as that of the basic agreement.

The Company took the position that this Section 6 opener as to the dues check-off agreement was not timely served and moreover that the restrictions in Section 6 against altering "rates of pay, rules, or working conditions" had no application to dues check-off because of the expiry date of the agreement.

The Company therefore took the further position that it would discontinue dues check-off after the expiry of the agreement on April 30, 1963, and presumably it has done so.

This action was then commenced.

The motion asks that the Company be enjoined preliminarily from discontinuing the dues check-off.

nion of the District Court in Docket No. 28461 (Dues Check-Off Appeal).

The theory of the action, and of the motion, is (319) that the March 8, 1963 notice or "opener" under Section 6 made applicable the procedures provided by the Act for the settlement of a dispute by collective bargaining, that until these procedures have been followed to exhaustion there is a statutory duty on the parties to maintain the status quo, and that discontinuance of the dues check-off by American is an alteration of the status quo and thus a violation of the Act.

The purpose of the Act is broadly to avoid strikes or other interruptions of commerce by requiring collective bargaining, by encouraging arbitration and use of the services of the National Mediation Board ("NMB") and by forbidding during this process any alteration "by the carrier" of "rates of pay, rules, or working conditions".

A detailed description of the Act's procedures was made by Judge Bryan in *American Airlines, Inc.* v. *Air Line Pilots Assn.*, 169 F. Supp. 777, 783-785 (S. D. N. Y. 1958).

The provision of Section 6 requiring maintenance of the status quo by the carrier is in relevant part as follows (45 U. S. C. §156):

> "In every case where such notice of intended change has been given, or conferences are being held with reference thereto, or the services of the Mediation Board have been requested by either party, or said Board has proffered its services, rates of pay, rules, or working conditions shall not be altered by the carrier until the controversy has been finally acted upon, as required by section 155 of this title, by the Mediation Board, unless a period of (320) ten days has elapsed after termination of conferences without request for or proffer of the services of the Mediation Board."

Normally the grant of a preliminary injunction, an extraordinary remedy as it is generally called, must be

based on a "clear showing of probable success and possible irreparable injury to plaintiff" (*Societe Comptair, etc.* v. *Alexander's Dept. St.*, 299 F. 2d 33, 35; 2d Cir. 1962).

In this instance, there being no real dispute about the facts, very little (if any) more could be developed at the trial than is now before the Court. The arguments for the parties have been directed therefore primarily to the merits, as a matter of law, and the decision now to be made—although on a motion for a preliminary injunction—is of the ultimate merits of the action rather than (more narrowly) on the probability of success of plaintiffs.

The theory for plaintiffs, as outlined above, taken together with the quoted provision in Section 6 of the Act, makes out prima facie a case for relief.

1.

The principal points for defendant should therefore be examined now.

a.

Defendant says that an interpretation of an agreement is required; that this is for the adjustment board (321) under the agreement between the parties, the Act, and relevant decisions; and that failure of the Chapter to submit the matter to adjustment board procedures is fatal to this motion and to the action.

The "adjustment board" provided for by Section 204 of the Act (45 U. S. C. §124) is designed to settle disputes "growing out of grievances, or out of the interpretation or application of agreements concerning rates of pay, rules, or working conditions".

The agreement between these parties establishing an adjustment board was made in compliance with Section 204 and the board was given jurisdiction to decide disputes "which may arise under the terms of the Flight Engineers Agreement". The "Flight Engineers Agreement", from its definition and otherwise, seems clearly to be the basic

agreement; the dues check-off agreement is not included nor even referred to.

In any event, neither "grievances" nor the "interpretation or application" of any agreement are involved here. The duration provision of the dues check-off agreement needs no interpretation because it is clear on its face. It expired on April 30, 1963. Plaintiffs do not claim that the agreement has been extended, either by the Section 6 notice or otherwise. They admit that the agreement has expired by its terms.

(322) The *Larsen* case (313 F. 2d 599) cited for defendant involved a claim by an individual employee that he had been discharged in violation of a collective bargaining agreement; the rights there asserted by plaintiff were founded on the collective bargaining agreement. The *Larsen* decision is in no way applicable here, where the claim by the Chapter is not based on any violation of the agreement or on any "interpretation or application" of the agreement but rather on a claimed violation of the Act itself.

For substantially the same reason, *Intl. Assn. of Machinists* v. *Northwest Airlines*, 304 F. 2d 206 (8th Cir. 1962), cited by defendant, is clearly distinguishable. The Court there found that the issue was one of contract interpretation, that the dispute was therefore "minor", and that the adjustment board had exclusive jurisdiction. The Court explained (304 F. 2d at 209):

> "As pointed out in Elgin, Joliet & Eastern R. Co. *v.* Burley, 325 U. S. 711, 722-28, 65 S. Ct. 1282, 89 L. Ed. 1886, substantial differences in procedures exist in the handling of major and minor disputes. Major disputes are to be settled only by processes of non-compulsory adjustment through mediation and conciliation. Major disputes result when there is disagreement in the bargaining process for a new contract, while a minor dispute arises over the

interpretation of an existing collective bargaining agreement in a particular fact situation.

"We agree with the trial court that the dispute here presented is a minor dispute. The contract interpretation issue presented is whether the Boiler Operators (323) upon demand of their employers that they perform their duties are obligated under their existing contract to cross the picket line established by the Flight Engineers."

In the case at bar, to repeat, there is no question of contract interpretation. The contract has expired, the Chapter wishes to negotiate a new one and the dispute arises over whether there is to be a new contract or not. This is a "major" dispute in which the Court may properly grant an injunction on the requisite showing. *Virginian Railway Co.* v. *System Federation*, 300 U. S. 515 (1937).

b.

Defendant argues that an injunction to maintain the status quo is forbidden by the Norris-LaGuardia Act (29 U. S. C. §101 and following), specifically by Section 8 thereof (29 U. S. C. §108), because plaintiffs have not made "every reasonable effort" to settle the dispute by calling on NMB or by conferring with the representative of American's pilots.

So far as NMB is concerned, the time would not appear to be ripe or right for invoking its services. There have not been any conferences between the parties to settle the "dispute" over extension or renewal of the dues check-off agreement, this not due to any fault of the Chapter but because of the position taken by defendant itself.

The duty of the parties to confer and the propriety (324) *thereafter* of invoking the services of NMB is spelled out by Judge Bryan in *American Airlines, Inc.* v. *Air Line Pilots Assn.*, cited above, as follows (169 F. Supp. at 784; emphasis supplied):

Opinion of the District Court in Docket No. 28461 (Dues Check-Off Appeal).

> "If either carrier or employees desire to make any change in the status quo with respect to conditions of employment, either under an existing collective bargaining agreement or in its absence, they must give 'at least thirty days' written notice of an intended change in agreements affecting rates of pay, rules, or working conditions'. §6.
>
> "Thereafter it is the duty of both parties under the mandate of Section 2 to confer and the Act directs that the time and place for the beginning of conference '*shall* be agreed upon within ten days after the receipt of said notice, and said time shall be within the thirty days provided in the notice'. (Emphasis supplied.) §6.
>
> "*If the conferences fail* either party may invoke the services of the Mediation Board which 'shall promptly put itself in communication with the parties' and 'shall use its best efforts, by mediation, to bring them to agreement'."

In such a dispute as here exists, appeal to NMB is the *second* step not the first. This feature of the Act was discussed, for example, in a recent decision (*Railroad Yardmasters etc.* v. *St. Louis, etc. Ry. Co.*, 218 F. Supp. 193; N.D. Texas 1963) where the Court reviewed the controlling Supreme Court decisions and concluded (218 F. Supp. at 200-201; emphasis supplied):

> "They say that the Act seeks to induce agreement by requiring good faith negotiations as the *first* step in resolving each type of dispute. 45 U. S. C. A. Sec. 152. After that, the procedure is different for each class. Where the parties fail to accomplish a settlement of a (325) major dispute in the *initial* negotiations, they must exhaust administrative machinery for mediation, arbitration (if acceptable

to both), and adjustment of the controversy. 45 U. S. C. A. Secs. 152, 155-159."

So far as conferring with representatives of the pilots is concerned, there appears to be nothing whatever to indicate that this would be either reasonable, or at this time appropriate. The dispute is between the Company and the flight engineers solely and the issue is whether the dues check-off agreement between them shall be extended or renewed. With this issue, the pilots have no concern.

There is no showing that "every reasonable effort" has not been made by plaintiffs as contemplated by Section 8 of the Norris-LaGuardia Act (29 U. S. C. §108) and that Act does not prevent relief to plaintiffs to which they may be entitled under the Railway Labor Act.

c.

Defendant claims that a Section 6 opener under the dues check-off agreement was governed by the 60 day provision of the basic agreement and that service on March 8, 1963 (or on March 15, 1963 when defendant states the notice was received) was not timely. The short answer to this is that the two agreements were separate and distinct, the 60 day provision of the basic agreement neither by its terms nor otherwise was applicable, the dues check-off agreement contained no provision (326) as to service of Section 6 notices, and the wording of Section 6 itself was applicable, namely, that "at least thirty days' written notice" must be given. The notice served by the Chapter was therefore timely.

2.

It seems to come down to this, that without entering into any discussions with the union as to a new dues check-off agreement and with notice of the union's desire to have such discussions, the defendant on expiry of the agreement "altered" one of the "rules" or "working conditions",

namely, the dues check-off. This seems plainly in violation of Section 6 of the Act (45 U. S. C. §156), whether defendant believed it could properly do so or not.

So clear a violation of the Act requires relief to plaintiffs by way of injunction.

Defendant says that such an injunction would limit "the freedom of employees" and be contrary to Section 2 Eleventh (9) of the Act recognizing dues check-off agreements. The argument is not persuasive nor is it in any way supported by *Felter* v. *Southern Pacific Co.*, 359 U. S. 326 (1959) cited for it. The employees (who are not themselves complaining) can revoke the assignments already given by them, as provided therein and in the Act. To enjoin discontinuance of the dues (327) check-off cannot possibly affect such employees, whose complete freedom of revocation of assignments continues undisturbed.

Defendant further says that to require continuance of the dues check-off would in effect extend the old agreement, or make a new agreement for the parties—this because the old agreement definitely expired on April 30, 1963, and all obligations of defendant under it to check-off dues then expired also.

The analysis for defendant is not, however, the proper one. An injunction here is to enforce the duty of defendant under the *Act*, not under the old agreement or any agreement now being imposed by the Court.

Congress has forbidden a change by defendant of "rates of pay, rules, or working conditions" during the processes required by the Act. Congress believed that labor peace in the air carrier industry would be promoted by maintaining the status quo while efforts were being made to reach agreement. In this instance, if defendant were now free to use the self-help of stopping the dues check-off, the union would seem equally free to strike over the issue. Congress meant a negotiating, cooling and mediating period to intervene before such confrontations.

Opinion of the District Court in Docket No. 28461 (Dues Check-Off Appeal).

It is not required that defendant reach or make any agreement to continue the dues check-off. It is required that defendant bargain in good faith on the subject with the union, (328) and until the processes contemplated by the Act are concluded, the defendant must continue the check-off. If the processes under the Act are followed to completion and no agreement results, defendant will then be free to stop the check-off—but not before.

The Company argues that by limiting the check-off of dues to a fixed period expiring April 30, 1963, the parties agreed that no notices under Section 6 of the Act could be served so as to impose an obligation on the Company to continue dues check-off past April 30, 1963, as part of the maintenance of the status quo required by Section 6. This argument of the Company is in substance that the dues check-off agreement provided that the procedures of Section 6 of the Act would not apply.

The agreement itself contains no such provision specifically and nothing which specifically denies to either party the procedures of Section 6. True, the duration provision of the dues check-off agreement differs from the others, but this seems merely to mean that the dues check-off agreement would not "renew itself without change" but on the contrary any extension had to be the subject of negotiations and could only come about by "mutual agreement". There is nothing in this to indicate that the parties were agreeing that negotiations for an extension were to be in disregard of the provisions of (329) Section 6 of the Act. To find such an unusual and significant agreement express words would be necessary; it cannot be found by implication or from the omission of any reference to Section 6 notices.

But even if such were the undertaking of the parties, it could not be given effect because it would be invalid as against the public interest as declared by Congress in the Act. See *Felter* v. *Southern Pacific Co.*, 359 U. S. 326

(1959). A careful reading of *Flight Engineers Int'l Ass'n v. Am. Airlines, Inc.*, 303 F. 2d 5 (5th Cir. 1962) reveals nothing to the contrary.

In this connection, it must be remembered that Section 2 First of the Act (45 U. S. C. §152 First) imposes a solemn duty on the carrier and the union "to exert every reasonable effort to make and maintain agreements concerning rates of pay, rules and working conditions, and to settle all disputes . . . etc.". It is contrary to the whole scheme of the Act for either party to any expired agreement to take the position that upon such expiration all obligation disappears. There remain the obligations under the Act to follow its negotiating and other processes and to maintain the status quo until those processes are completed.

(330) That irreparable injury will be caused to plaintiffs by discontinuance of the dues check-off during negotiations seems sufficiently clear. Interruption in the established manner of collecting dues will certainly affect adversely the financial position of the union; mere change in the mechanics of collection will make difficult the receipt by the union of its income from dues. It is represented by affidavit that the union has extraordinary expenses in connection with litigation, including the lengthy proceedings in the other action (63 Civ. 585) pending in this Court and to which the union is a party. Defendant argues that damages will compensate the union, but such damages may require time for determination and collection; the need of the union is doubtless for income now. Moreover, if (as found) failure presently to check-off the dues and pay them over to the Chapter is in violation of the Act, such violation should not be permitted to weaken the Chapter in the present period. The balance of convenience as between the parties certainly favors plaintiffs. It is difficult to see what harm can be done to defendant by continuing, for the necessary period, the check-off of dues. The deductions are made under assignments from the

individual employees; it is (331) their money, not defendant's, which is involved.

The motion for a preliminary injunction is granted. The foregoing opinion sets forth the findings of fact and conclusions of law required by Fed. R. Civ. P. 52(a).

Settle order on notice. Suggestions are invited from counsel as to the amount of security to be required of plaintiffs under Fed. R. Civ. P. 65(c).

Dated: New York, New York
September 9, 1963

INZER B. WYATT
United States District Judge

Excerpts from Transcript in Docket No. 28461 (Dues Check-Off Appeal).

ADMISSION OF APPELLEES' COUNSEL ON LACK OF JURISDICTION TO DETERMINE CRAFT OR CLASS:

"The Court: I am confident of that, to determine craft or class is not a job for the Court.

Mr. Wisehart: That is certainly our position, your Honor. Perhaps Mr. Schwartz sees it differently.

Mr. Schwartz: No, sir, I do not see it differently." May 10 Tr., p. 14 (345).

STIPULATION THAT MARCH 15, 1963 AGREEMENT COVERS FLIGHT ENGINEERS:

"Mr. Wisehart: I call on counsel to stipulate that the settlement arrived at on or about March 15, 1963, if put in effect, would cover the flight engineers as well as pilots." May 10 Tr., p. 25 (357).

Excerpts from Transcript in Docket No. 28461, etc.

"Mr. Schwartz: I think that is true, that the language reflected in those agreements does cover the flight engineers." May 10 Tr., p. 26 (358).

STIPULATION THAT FEIA DID NOT SEEK REMEDIES BEFORE THE NMB OR THE ADJUSTMENT BOARD:

"Mr. Schwartz: I will stipulate that they [the flight engineers] have not requested the National Mediation Board to enter this dispute at this moment.

Mr. Wisehart: That is accepted. Will Mr. Schwartz simply state that they have not asked the adjustment board to enter this dispute at this moment?

Mr. Schwartz: That is right.

Mr. Wisehart: Will Mr. Schwartz further state that they have not submitted this to the grievance procedure, which precedes the adjustment board, of this dispute?

Mr. Schwartz: That is right." May 10 Tr., p. 32 (364).

ADMISSION THAT DUES CHECK-OFF AGREEMENT TERMINATED ON APRIL 30:

"Mr. Wisehart: That's right, and that is the next question. I do not understand Mr. Schwartz to seriously dispute what the agreement on its face calls for. Assuming that it does call for termination on April 30, . . .

The Court: It seems to me at this point reasonably plain that that is what the agreement calls for. I don't see that an agreement of that nature needs any interpretation. It is either there or it isn't there. Do you agree, Mr. Schwartz?

Mr. Schwartz: I do, your Honor. May 7 Tr., pp. 20, 21 (62, 63).

. . . . . .

"Mr. Schwartz: Yes. We have stated, and we have stated before Judge Bryan and your Honor, that there is

no question between us as to what the agreement means. Judge Bryan said it is clear, we said it is clear it terminated. The agreement was that there be an end, period * * *." May 17, Tr., p. 118 (452).

TESTIMONY OF FEIA PRESIDENT JOSEPH MANNING CONCERNING FAILURE TO CONFER:

"Q. What was the projected meetings that you say the wire [from Manning to O'Connell of the pilots] referred to, Mr. Manning? A. Well, the first notice that we have of such meetings was when Mr. O'Connell testified on March the 29th. If I recall correctly, Mr. Schwartz in his cross examination of Mr. O'Connell asked Mr. O'Connell after testifying to these meetings if he had invited the flight engineers to these meetings.

Mr. O'Connell answered that he had sent out invitations; that the invitations had gone out that morning, the morning of the 29th.

The following day, in Los Angeles, at my home, I received a wire from Mr. O'Connell that was time-stamped sent out of New York that evening, March 29th, and it invited us to these meetings to—invited the flight—I and the flight engineer committee to these meetings which were to be held on American Airlines system beginning, I believe, on April the 3rd through the 18th at all of these various bases, and the wire that I was referring to was my answer to him that I sent the next day to him, on Sunday. I believe that would be May 1st—April 1st.

Q. As I understood your testimony, the wire asked that the meetings be deferred, is that correct? A. Yes.

Q. And did it suggest meetings? A. It suggested a meeting between the flight engineer committee and the pilot committee to discuss the terms of this agreement that were supposedly arrived at on March 15th in so far as they affected the flight engineers.

Q. Did it set a date for such a meeting? A. No, sir.

Q. Did you— A. The wire suggested that the meeting— that such a meeting be held prior to any meeting being held on the American Airlines System.

Q. You are a neighbor of Captain O'Connell, isn't that true? A. Yes, sir, approximately a mile, a mile and a half away from him.

Q. And did you discuss this subject with Captain O'Connell? A. No, sir.

Q. Have you sought to have the meetings that you say you requested in this wire? A. As I said earlier, he never replied to it. He ignored the inquiry and never mentioned it again in any conversation.

Q. And you haven't asked him about it, is that correct? A. No, he proceeded with the meetings, so I assumed that our suggestion was not taken by him.

Q. Well, now, have you sought to meet with him after the meetings that were held over the System? A. No, sir.

Q. Have you sought to meet with anyone in the company concerning the March 15th settlement? A. No, sir." May 17 Tr.; pp. 45-48 (379-382).

* * * * * * *

"Q. Mr. Manning aside from the wire we discussed, have you sought to meet with the company or a pilot representative concerning the subject matter of the March 15th settlement apart from the wire that you referred to in your earlier testimony? A. Well, do I understand, sir, that that includes dues check-off?

Q. No. My question related to the subject matter of the March 15th settlement. A. Well, the answer to that question is no, we haven't." May 17 Tr., pp. 49-50 (383-84).

TESTIMONY OF FEIA PRESIDENT JOSEPH MANNING CONCERNING FAILURE TO MAKE ALTERNATE ARRANGEMENTS TO COLLECT DUES:

"Q. Mr. Manning, have you made alternate arrangements to collect these dues in the event the court should

decide not to grant the relief requested? A. No, sir." May 17 Tr., p. 50 (384).

Excerpts from Transcript in Docket No. 28473 (Bargaining Appeal)

TESTIMONY OF ALLIED PRESIDENT NICHOLAS J. O'CONNELL CONCERNING "REDDING OUT" PROCESS:

"Q. Mr. O'Connell, you are familiar with the process used by the Chairman of the National Mediation Board called the redding-out process, are you not? A. Yes, sir.

Q. Would you describe that process for the Court? A. The Chairman of the National Mediation Board placed a copy of what has been presented to you as the agreement between the company in the green folder you have, reproduced on regular-sized paper, and his practice is to, when the parties agree to any particular section or they agree to a revision of a particular section, he paints it with a red brush after having had the parties initial it, to demonstrate which portions of the agreement are now no longer in the area of contention or disagreement.

Q. Did the Chairman of the National Mediation Board use that process in connection with these resumed negotiations? A. Yes.

Q. Does he have possesion of the agreements thus reached by the parties in these negotiations? A. Yes.

Q. Was the so-called crew-complement document, which has been produced in evidence, redded out by the Chairman of the Mediation Board in the use of that process? A. I don't know, Mr. Wisehart, because the document was signed in the presence of Mediator O'Connell, and it was later verified by Mr. Edwards that it had been turned over to him. Whether he had redded it out or not, I can't physically say, because I didn't see him do it.

The Court: When you say that the document was signed, you mean initialed?

The Witness: Initialed, that is correct.

Q. But it was the understanding of the parties that when something was redded out, that was final, assuming agreements on other open items could be reached, is that right?

Mr. Schwartz: Objection.

The Court: Sustained.

Mr. Wisehart: I am trying to introduce evidence on what the understanding——

The Court: I know, but you cannot ask him what his understanding was or anybody else's understanding. You can ask him what they said and did.

Q. Did Mr. Edwards indicate what the effect of redding out would be?

The Court: What did he say? Did he state that this witness heard?

Q. (Continuing) Did he say? A. Well, I had worked with Mr. Edwards on the redding-out process on several occasions, and I don't recall that he made a specific statement, but previously he had explained to us that what he did was to have the parties agree on as many of the pertinent sections of the document as they could and initial them, and he would red them out, and this process, meaning that there was agreement between the parties on that particular phase of the documents, and that the red book itself showed progress towards a conclusion, and that was helpful to the parties in knowing what they had completed and knowing what was left to be done." March 29 Tr., pp. 280-83 (First Supplemental Record).

TESTIMONY OF ALLIED PRESIDENT NICHOLAS J. O'CONNELL CONCERNING FEIA'S NON-INSISTENCE UPON ALPA PARTICIPATION:

"By Mr. Schwartz:

Q. Wasn't the discussion between the pilots of American and the flight engineers of American on the basis of the

American chapter of the FEIA, separate and apart from any other chapter of the FEIA relinquishing its representation rights to ALPA? A. Yes.

Q. And in doing so, would receive certain guarantees and assurances in writing in a merger document between ALPA and the American Airlines chapter; isn't that correct? A. Yes, or any other organization that we might be a member of, which was brought out by your people, not ours." March 29 Tr., pp. 373-74 (First Supplemental Record).

TESTIMONY OF FEIA PRESIDENT JOSEPH MANNING CONCERNING FEIA'S SUGGESTION OF AN INDEPENDENT UNION:

"Q. Was there any discussion about an independent organization of flight engineers and pilots? A. No serious discussion about it. Somebody would mention it occasionally as to an organization other than ALPA, but I think we, the flight engineers, brought it up because we were becoming annoyed at the stringent position of the pilots' committee in respect to their policy manual and their constitution and by-laws of ALPA." April 8 Tr., pp. 828-29 (First Supplemental Record).

TESTIMONY OF FEIA PRESIDENT JOSEPH MANNING CONCERNING FEIA'S AGREEMENT TO JOIN A NEW UNION:

"Q. I now turn to what has been admitted in evidence as Plaintiffs' Exhibit 107. On the second page thereof, in the fourth paragraph from the top, appears the following statement: 'Manning stated clearly that he sees it,'—referring to a crew complement document—'as a timing problem. If we complete the deal and the pilots get out of ALPA and form a new organization, FEIA will join that organization, but it must be an organization.'

Do you recall making that statement on February 12, 1963? A. To the best of my recollection I made a statement similar to that, yes, sir." April 9 Tr., pp. 1034-35 (First Supplemental Record).

TESTIMONY OF AMERICAN'S VICE PRESIDENT JAMES LAMOND CONCERNING AGREEMENTS REACHED DURING JANUARY-FEBRUARY WITH JOINT COMMITTEE:

"Q. Did you hear the flight engineer representatives state in January that they were intent on preserving their separate representation? A. No, sir.

Q. During the period of negotiations after the first of the year, were additional sections initialed and redded out? A. Yes, many.

Q. And to what agreement or document did these sections pertain? A. To the basic agreement.

Q. Were the flight engineer representatives present at the time of such initialing?

Mr. Schwartz: What date?

Mr. Wisehart: I will come to that—after the first of the year.

A. Yes, they were—not at all of them, but at many of them." April 17 Tr., p. 1804 (First Supplemental Record).

TESTIMONY OF AMERICAN'S VICE PRESIDENT JAMES LAMOND CONCERNING FLIGHT ENGINEER PROVISIONS NEGOTIATED BY NICHOLAS O'CONNELL:

"Q. Mr. Lamond, is it your recollection that the engineers were present at virtually all of the negotiating sessions up through February 21st? A. Yes. It is my recollection that the engineers were present, at least two

members of the engineers committee, all the way through those dates.

Q. Were you present when the subject of engineer pay was negotiated? A. I was.

Q. And do you recall if the engineer representatives were present? A. I recall that the sessions pertaining to engineers' pay started with the joint committee, the combined committee, and then for a brief period of time, something like three or four days, the pilot half of the joint committee withdrew and went back to Chicago for some form of meeting at headquarters in that interim, and we continued with the flight engineer members of the committee, went through blackboard exercises pertaining to various pay proposals, and so on, and then went on and completed the flight officers' pay structure in the new contract upon return of the pilot group from Chicago.

Q. Was there a discussion of who would be the spokesman for the employees during these sessions? A. Yes. There were several discussions in terms of spokesmen. It can perhaps be best described in this fashion: That with the combined committee of pilots and engineers you had a very large committee. For the most part we had three or four men on the company's side of the table and we found it virtually impossible to negotiate with 10, 11 men on one side of the table with a single spokesman on the company side of the table.

Mr. Schwartz: Your Honor, I find this witness' answer unresponsive to the question and ask it be stricken and he be asked to answer the question.

Mr. Wisehart: I think the witness is trying to explain what the situation is and if perhaps it is unresponsive I think in the end it will save the time of avoiding additional questions.

The Court: Perhaps it contains a certain degree of conclusions and opinion of the witness. It may be quicker if you were to put another question.

Mr. Lamond, try to avoid giving us your inferences, beliefs, opinions and conclusions. That is what counsel is objecting to.

The Witness: All right, sir.

The Court: Everything else is perfectly proper. Let's start again.

Q. Mr. Lamond, to the best of your recollection will you state what was said during the time when this matter of who would be the spokesman for the employees was discussed? A. I made the request several times and I believe Mr. Whitacre made the request at least once that a spokesman be selected to avoid the confusion of multiple conversation.

Q. Was a spokesman selected?

The Court: Or was the witness told that a spokesman had been selected?

Q. Were you told that a spokesman had been selected? A. I was not told that a spokesman had been selected but when the pilot group rejoined the engineers after their trip to Chicago, there was a spokesman. Captain O'Connell acted as the spokesman, from at least our side of the table, from that point on.

Q. Was Mr. Schwartz present during that time that Captain O'Connell was speaking? A. During at least a portion of it, yes, sir.

Q. Did Mr. Schwartz object? A. No, sir.

Q. Did anyone from the flight engineers' side object A. Not to my recollection.

Q. Was this a time when the subject of flight engineer wages was being negotiated? A. It was.

Q. Who was spokesman for the company at this time? A. Mr. Whitacre.

Q. When Mr. Whitacre wasn't present, who was spokesman for the company? A. I was spokesman for the company. However, in the area of engineer wage negotiations, Mr. Whitacre was not absent through any of those sessions and so I don't believe I ever served as spokesman in regard to that particular section.

Q. When the various sections that you referred to as having been initialed in the presence of the flight engineers were initialed, who were the persons who did the initialing? A. Captain O'Connell and myself, and whenever Mr. Whitacre was present he would initial a section." April 17 Tr., pp. 1809-1813 (First Supplemental Record).

TESTIMONY OF AMERICAN VICE PRESIDENT JAMES LAMOND CONCERNING STATEMENT OF NMB CHAIRMAN AT CLOSE OF NEGOTIATIONS:

"Q. Was Mr. Edwards at the final meeting on March 15th? A. Yes, sir.

Q. What happened at the conclusion of that meeting? A. The meeting concluded at about 6:15 in the evening as I recall it, 6:30. Mr. Edwards made some reference to it having been a long, hard negotiation, and as I recall it we all shook hands all the way around, and that was the end of the meeting.

Q. And he took documents that had been initialed with him, is that correct? A. Yes. I left the negotiating room immediately. As I recall, Mr. Edwards was still there at the time I left. So how long he was there after, I don't know." April 19, Tr., p. 2088 (First Supplemental Record).

TESTIMONY OF AMERICAN VICE PRESIDENT JAMES LAMOND CONCERNING STATEMENT MADE TO NMB CHAIRMAN WITH RESPECT TO NEGOTIATING RETROACTIVE PAY FOR FLIGHT ENGINEERS:

"A. Mr. Edwards called me toward the end of the week of March 18th, as I recall, and in regard to the flight engineers he stated that it was his opinion that representation was not the problem that it had once been; Number 2, that prospective money was not the problem; and Number 3,

that he thought the substantial problem was the question of retroactivity, and he wanted to know if I would be agreeable to meet with Mr. Schwartz and continue the discussions that we had had on the 6th, 8th and 12th.

"And I answered him that I would be as soon as I—my schedule would permit. At the moment my time was pretty well taken up between Mr. Weiss's deposition and appearances down here in the court; but that I would meet with Mr. Schwartz and members of the engineers committee as soon as my schedule would permit, but that he could tell Mr. Schwartz that as we had stated in all of the so-called bull sessions that the company would look favorably on the question of some form of retroactivity for the flight engineers through the medium of the joint committee." April 19 Tr., pp. 2093-94 (First Supplemental Record).

Letter of FEIA President Joseph Manning, March 7, 1963, to W. B. Whitacre (Plaintiffs' Exhibit 1).

March 7, 1963

CERTIFIED MAIL

MR. W. B. WHITACRE,
Vice President—Personnel,
633 Third Avenue,
New York 17, N. Y.

Dear Mr. Whitacre:

I have your letter of February 28, 1963, transmitting the Company's Section 6 notice of opener of existing agreements. We are prepared to enter into discussion of both our openers.

You propose that the discussions coincide with the so-called "Joint Committee's" current negotiations in order to expedite a settlement. You also suggest that bargaining on your proposals continue under the auspices of the "Joint Committee" and Mr. Leverett Edwards, Chairman of the National Mediation Board.

Letter of FEIA President Joseph Manning, March 7, 1963, to W. B. Whitacre, etc.

Since there has been no relinquishment of the bargaining rights of the AAL Chapter, FEIA, all agreements pertaining to Flight Engineers will have to be negotiated with the Chapter's Negotiating Committee. Your past insistence on using the so-called "Joint Committee" approach to deprive our Committee of its right to an independent voice in the determination of Flight Engineer wages forces us to decline to bargain current reopeners on the basis you suggest. Your employment of the device of the so-called "Joint Committee" as a negotiating committee and your intention to sign an agreement with the Pilots affecting Flight Engineers through this device is an impairment of our independent bargaining rights as established by law. We cannot accede to any such suggestion for the future, as we have not in the past.

Any agreement you may have with the Pilots' Negotiating Committee concerning pay or working conditions for the Flight Engineer position was not agreed to by our Negotiating Committee, and is not recognized as a valid and properly negotiated agreement.

Since we would like to negotiate a complete agreement as soon as possible, the Flight Engineers' Negotiating Committee is prepared to meet with you immediately. We have no objection to the presence of Pilot representatives. We not only wish to settle on wages. We would also like to arrive at a settlement encompassing all issues which relate to a satisfactory crew complement agreement and a basic working agreement, but this must be done with no limitation on our independent bargaining rights as Flight Engineers, nor that of the Pilots, until a full settlement is reached, and then only on the fair and honorable terms agreed upon by all parties.

Very truly yours,

JOSEPH V. MANNING
President

CC: Hon. Leverett Edwards,
Mr. N. J. O'Connell,
O'Donnell & Schwartz, Esqs.

Letter of W. B. Whitacre, February 28, 1963, to FEIA with American's Proposed Changes to Basic Agreement Attached (Annexed to Plaintiffs' Complaint as Exhibit A).

February 28, 1963

(6)
Mr. Joseph V. Manning, President
AAL Chapter, Flight Engineers
International Association

Dear Mr. Manning:

Attached hereto is the Company's Section 6 opener covering existing agreements. It suggests that discussions coincide with the Joint Committee's current negotiations, in order to expedite a settlement.

Since Mr. O'Connell is Chairman of the Joint Committee, I have taken the liberty of giving him a copy, as well as the mediator.

Sincerely,

W. B. Whitacre
Vice President—Personnel

cc: The Honorable Leverett Edwards
N. J. O'Connell, Jr.
A. W. Schwartz

Attachment

Letter of W. B. Whitacre, February 28, 1963 to FEIA, etc.

(7) American Airlines' Section 6 Notice Of Intended Change Covering All Flight Engineer Agreements.

American Airlines hereby gives due notice of intended change of each of the existing agreements with the flight engineers. This notice is given, pursuant to Section 6 of the Railway Labor Act, as provided in Section 32 of the Basic Agreement and paragraph T of the System Board Agreement. It applies equally to all sections of all flight engineer agreements and letters of understanding, except the dues-checkoff agreement which expires of its own terms on April 30, 1963.

In accordance with the current negotiations with the Joint Committee of pilot and flight engineer representatives and the "redded out" crew complement agreement, American Airlines proposes:

1. Flight crews on turbojet aircraft will be reduced in size from four to three.

2. All new hires for flight engineer positions will have pilot qualifications.

3. Third crew members will be required to have the training and qualifications prescribed by the Company, but need not have A & P nor A & E certificates.

(8) 4. Cockpit crew members on all aircraft will be consolidated into one craft or class covered by a single basic agreement.

It is suggested that bargaining on the above proposals continue under the auspices of the Joint Committee and Mr. Leverett Edwards, Chairman of the National Mediation Board.

W. B. Whitacre
Vice President—Personnel

cc: The Honorable Leverett Edwards
N. J. O'Connell, Jr.

Letter of FEIA President Joseph Manning, February 28, 1963, to W. B. Whitacre Containing Proposed Changes to Basic Agreement (Annexed to Plaintiffs' Complaint as Exhibit B).

February 28, 1963

(9)

VIA CERTIFIED MAIL

Mr. W. B. WHITACRE,
Vice President—Personnel,
American Airlines, Inc.
633 Third Avenue
New York 17, New York

Dear Sir:

Please be advised that the AAL Chapter, Flight Engineers' International Association, AFL-CIO, desires to negotiate certain changes in the agreement between the Company and the Chapter.

The sections of the contract which the Association seeks to change, in accordance with Section 32 of the agreement, are as follows:

5, 6, 7, 8, 10, 11, 12, 13, 17, 18, 19,
22, 23, 24, 25, 26, 27, 28, 31 and 32

The Association will furnish its specific proposals for mutual consideration at our first meeting so that the negotiations for such changes in the agreement can proceed as soon as possible.

In addition to modifications of the aforementioned sections, the Association intends to request an agency shop agreement and duty rig, minimum pay and credit, ma: mum on duty terms, similar to those now included in the l ots' agreement. More specific proposals in this connectio will also be served at our first meeting which can take pla at any convenient time satisfactory to the Company.

Very truly yours,

JOSEPH V. MANNING
President

CC: Asher W. Schwartz, Esq.

Letter of Counsel for Appellees to NMB, May 8, 1963 (Annexed to Defendant's Exhibit K in Docket No. 28461).

[LETTERHEAD]

May 8, 1963

Mr. EUGENE C. THOMPSON,
Executive Secretary,
National Mediation Board,
Washington 25, D. C.

Dear Mr. Thompson:

I have received in today's mail a copy of the comments of the Air Line Pilots Association and of American Airlines, Inc., to the application of the Allied Pilots Association for certification as the representative of the pilots and co-pilots employed by American Airlines.

As counsel to the American Airlines Chapter, Flight Engineers' International Association, which is the certified representative of the American Airlines flight engineers, who are not a party to the proceeding, I am compelled to bring to your attention their posture at this time in relation to any transfer of representation functions from the Air Line Pilots Association to the Allied Pilots Association, or any other organization purporting to represent the pilots and co-pilots employed by American Airlines.

We do not claim to represent the pilots and co-pilots of American Airlines, nor do we express any view or specific interest as to the representative to be selected by the pilots and co-pilots.

Our interest in this matter lies in the status of two legal proceedings in the Southern District of New York currently before the U. S. District Court, in one of which American Airlines, the Air Line Pilots Association, the AAL Chapter, FEIA, and the pilots' negotiating committee on American Airlines (who are the sponsors of the

Allied Pilots Association), have been litigating critical issues pertaining to the representation function as it applies to the flight engineers employed by American Airlines.

American Airlines has contended that it has reached an agreement with the pilots' negotiating committee which it is prepared to sign with any representative selected by the pilots and co-pilots employed by American Airlines. This agreement includes wages, rules and working conditions pertaining to the employees of American Airlines who will serve in the class or craft of flight engineers.

The Air Line Pilots Association has stated for the record that it will not sign that agreement. American Airlines has stated for the record that it will sign that agreement when there is a proper determination as to the representative of the pilots employed by American Airlines. The pilots' negotiating committee, through its chairman, Nicholas J. O'Connell, Jr., who is Acting President of the Allied Pilots Association, has stated by affidavit that it will not sign an agreement pertaining to the wages, rules and working conditions of the flight engineers represented by the AAL Chapter, FEIA, so long as the Chapter represents the flight engineers.

Despite the certification of the Chapter by the National Mediation Board in May, 1955, American Airlines is claiming in the current proceedings, or one of them, that the Chapter has relinquished its bargaining rights and that the flight engineers have become part of the craft and class of pilots, in accordance with the Board's decision in Case No. C-2946. This is one of the substantial issues which the U. S. District Court is now considering, and upon which the Court will issue its decision in response to the Chapter's application for a declaratory judgment and preliminary injunction.

On or about April 5, 1963, the U. S. District Court issued a temporary restraining order against the pilots' negotiating committee, restraining the committee from signing the above mentioned proposed agreement with American Airlines.

Letter of Counsel for Appellees to NMB, May 8, 1963 etc.

On or about April 17, 1963, the Court extended the temporary restraining order and made it applicable to American Airlines, the Air Line Pilots Association, and the Chapter. Because of objections raised by the pilots' negotiating committee, the temporary restraining order was not continued beyond the 20 days which, the Court concluded, was the maximum length of a temporary restraining order, a "conclusion being principally dictated by what seems to be the clear language and treatment of Judge Hayes in the Pan American and Flight Engineers case." In its consideration of the objections of the pilots' negotiating committee, on April 16, 1963, the Court stated:

> "The 20-day period in certain types of cases, of which this may well be one, is not a sufficient length of time."

The proceeding before District Court Judge Inzer B. Wyatt was begun on March 5, 1963, by the filing of a complaint; a hearing commenced on March 27, 1963; the hearing was concluded on May 3, 1963; the evidence consists of 3,029 pages of testimony and 237 exhibits. Obviously, the U. S. District Court has not had sufficient time in which to consider the merits of the respective claims of the parties during the limited 20-day period of the restraining order, and the order has expired.

During the last day of testimony, May 3, 1963, counsel to all parties and the Court agreed upon a schedule for the submission of briefs which undertakes to provide for the submission of all briefs to the Court by May 27, 1963. The Court will obviously require additional time in which to consider the briefs and render its decision.

A determination by the National Mediation Board prior to the issuance of the decision by the Court and without regard to the nature of that decision will seriously interfere with the orderly administration of justice, since American Airlines is in a position, and has stated that it intends.

to sign a proposed basic agreement which has already been reached and reduced to writing as soon as the Board certifies the representative of the pilots.

The signing of that agreement by American Airlines with whomever the Board determines to be the representative of the pilots and co-pilots and before the Court issues its decision as to the contentions of American Airlines concerning the status of the AAL Chapter, FEIA, may be prejudicial to the Chapter, create a most critical area of further dispute, and substantially impair the representative function as it relates to the flight engineers employed by American Airlines.

Accordingly, the AAL Chapter, FEIA, requests the Board to process the application of the Allied Pilots Association in such a manner as to permit the Board and the parties in this proceeding, as well as the Chapter, which is not a party, to be informed of their respective rights and obligations under the Railway Labor Act, as determined by the U. S. District Court for the Southern District of New York, before the Board makes its determination in this matter.

Respectfully yours,

O'Donnell & Schwartz

AWS: CGM
CC: Hon. W. Willard Wirtz

Letter of FEIA President Joseph Manning, March 8, 1963, to W. B. Whitacre, Containing Proposed Change to Dues Check Off Agreement (Annexed to Plaintiffs' Complaint as Exhibit D).

(LETTERHEAD)

March 8, 1963

(11)

CERTIFIED MAIL

Mr. W. B. WHITACRE,
Vice President—Personnel,
American Airlines, Inc.,
633 Third Avenue,
New York 17, N. Y.

Dear Mr. Whitacre:

Please be advised that the American Airlines Chapter, Flight Engineers' International Association, AFL-CIO, gives the Company notice, in accordance with the provisions of Section 6 of the Railway Labor Act, of its intent to change the dues check-off agreement now in effect.

Among other things, of which you will be advised when we meet to negotiate changes in this agreement, the Chapter will propose that Paragraph G be changed to provide as follows:

> "This agreement shall remain in full force and effect until the termination date of the basic agreement, and shall renew itself without change for the term of each succeeding basic agreement unless written notice of intended change is served by either party hereto at least thirty (30) days prior to the termination date of the applicable basic agreement."

It is my suggestion that we negotiate changes in this dues check-off agreement simultaneously with our negotiations under the pending reopeners.

Very truly yours,

JOSEPH V. MANNING
President

Affidavit of James J. Lamond, April 30, 1963, and Exhibit E Thereof.

(140) JAMES J. LAMOND, being duly sworn, deposes and says:

1. I am Vice President—Flight of American Airlines, Inc., defendant in the above entitled action, and make this affidavit in opposition to the application for a preliminary injunction by plaintiffs (hereinafter called the "Union").

2. The Union formerly was the collective bargaining representative of a group of defendant's employees known as "flight engineers". The flight enginers work in the cockpit of large commercial aircraft. They assist the pilots.

3. The jurisdictional conflict between the (141) bargaining representative of the pilots and flight engineers resulted in the crew complement dispute, which has caused numerous strikes in air transportation. Defendant was struck by the pilots for approximately two weeks, beginning in December 1958, and by the flight engineers for approximately one week in February 1961. These and other labor disturbances led to the creation of the so-called "Feinsinger Commission" by the President of the United States.

4. The Feinsinger Commission made a lengthy investigation of the dispute and issued reports on May 24 and October 17, 1961. The May 24 report described the controversy and recommended bargaining to resolve it. When such bargaining failed, the Commission issued its October 17 report prescribing terms of settlement. Defendant accepted these terms, but its employees did not.

5. One of the chief issues before the Feinsinger Commission was the Union's demand for separate representation. This demand was the cause of the February 1961 strike.

6. In its May 24 report, the Feinsinger Commission found that the underlying risk which FEIA sought to avoid

by separate representation ". . . has been magnified out of all proportion" (p. 21). It described the situation as follows (*id.* at 22):

> "Each union asserts that its position is not self-serving, but designed simply to insure safe operations. There is ample reason, however, to believe that FEIA is partly (142) motivated by a desire to fence the pilots out in order to preserve its members' jobs, the craft, and FEIA's representation rights, and that ALPA is likewise partly motivated by a desire to elbow FEIA out of its representation rights, with all that that implies.
>
> "This situation, in which two unions seek irreconcilable objectives and the carriers are unable to satisfy one without offending the other, is intolerable. It should be evident to the unions, which purport to base their positions on considerations of safety, that the collision of their views in itself threatens safety and efficiency and economy of operations as well. It should also be evident to them that if they continue to steer a collision course, the public will demand action much more drastic than that which the Commission proposes.
>
> "The most obvious solution to this problem is merger or some form of consolidation. *In the considered opinion of the Commission, neither peace nor safety on the airlines will be fully assured as long as there are two unions in the cockpit.*" (Emphasis added.)

The Commission further stated that ". . . every disinterested observer, governmental or private, who has expressed an opinion to the Commission shares the view that the flight crew should be represented by one union. The Commission firmly endorses such a solution" (p. 23).

Affidavit of James J. Lamond, April 30, 1963, and Exhibit E thereof.

7. The National Mediation Board determines which craft or class of employees is appropriate for collective bargaining representation. In a decision issued January 17, 1961, the Board, through a committee, found that there is just one craft or class of flight deck employees on United Air Lines, Inc. In other words, (143) it found that separate representation of flight engineers was no longer appropriate. A copy of that decision is attached hereto as Exhibit A, and is also reported in 3 NMB Craft or Class Determinations 56 (1961).

8. The NMB's *United* decision caused the Union to strike defendant in February 1961, on the grounds that that determination would be equally applicable to defendant's flight engineers.

9. The Union received a certificate from the NMB approximately 8 years ago, which entitled it at that time to represent defendant's flight engineers. Such certification did not contemplate the changes in qualifications, training, and job duties subsequently brought about by the introduction of jet aircraft, in 1959, nor did it contemplate the subsequent *United* decision.

10. The Feinsinger Commission, in its May 24 report, found that

> "These proceedings originated with a strike by certain flight engineers against a decision of a governmental agency, involving United Air Lines. A strike of any kind against the Government offends the tradition of the American trade union movement". (p. 19).

A copy of the May 24 report is attached hereto as Exhibit B.

11. There have been no subsequent decisions by the National Mediation Board which modify or qualify its determination in the case of United Air Lines.

Affidavit of James J. Lamond, April 30, 1963, and Exhibit E thereof.

12. The collective bargaining agreement in effect between the Union and defendant at the time of the (144) Union's 1961 strike has not been superseded. In bargaining under it, the parties are at an impasse on wages. A copy of the agreement with supplemental agreements is attached hereto as Exhibit C.

13. The Dues Check-Off Agreement is a supplemental agreement on pages 65-69 of Exhibit C.

14. Unlike other agreements, the Dues Check-Off Agreement provides unequivocally for its termination on April 30, 1963. Paragraph G, the provision in question, reads as follows:

> "This Agreement shall become effective May 1, 1958 and shall continue in full force and effect until April 30, 1963, and shall be subject to renewal thereafter only by mutual agreement of the parties hereto."

15. Another supplemental agreement, found on pages 57-63 of Exhibit C, is the System Board Agreement. The System Board Agreement creates an arbitral body, pursuant to 45 U. S. C. A. §184, for grievances and disputes concerning interpretation and application of contractual provisions.

16. The basic working agreement is found on pages 3-55 of Exhibit C. Section 25 gives flight engineers a right to submit grievances "concerning any action of the Company affecting them". Such grievances, if not resolved in the grievance procedure, may be appealed to the System Board of Adjustment.

17. No grievance or application to the System Board of Adjustment has been submitted by any flight (145) engineer or the Union with respect to interpretation of the duration clause of the Dues Check-Off Agreement. The Union has

known of defendant's position as to the duration clause since on or about March 15, 1963. A copy of the letter of March 15, 1963 from Mr. A. Di Pasquale, Assistant Vice President—Labor Relations, to the Union's president, Mr. Joseph V. Manning, is attached hereto as Exhibit D.

18. The duration clause of the basic working agreement is found in Section 32 thereof (Exhibit C, p. 53). Paragraph A provides:

> "This Agreement shall become effective May 1, 1958 and shall continue in full force and effect until April 30, 1963 and shall renew itself without change until each successive April 30 thereafter unless written notice of intended change is served in accordance with Section 6, Title I, of the Railway Labor Act, as amended, by either party hereto at least sixty (60) days prior to April 30 in any year after April 30, 1962".

19. The Union failed to give the 60-day notice required by the foregoing provision with respect to the Dues Check-Off Agreement. The Union's check-off notice attached to its complaint herein as Exhibit D is dated March 8, 1963, but was not received by defendant until March 15, 1963.

20. In the notice of opener given by defendant prior to the 60-day period, defendant specifically avoided opening with respect to the Dues Check-Off Agreement. Attached to the Union's complaint as Exhibit A, defendant's notice states that it is applicable "to all sections of (146) flight engineer agreements and letters of understanding, except the dues check-off agreement which expires of its own terms on April 30, 1963." The duration clause of the Dues Check-Off Agreement provides the subject of renewal may be negotiated only by mutual con-

Affidavit of James J. Lamond, April 30, 1963, and Exhibit E thereof.

sent. Defendant has never consented to reopen this subject.

21. The consistent practice with respect to flight engineer agreements with the Union in the past has been to give at least 60-days notice of intended change.

22. In August 1962, defendant's pilots proposed a crew complement settlement which would include single representation for flight deck crew members.

23. On November 1, 1962, the flight engineer representatives joined with the pilot representatives in meeting with defendant for bargaining purposes. The flight engineer representatives, on that date, announced that the chairman of the pilot committee was their spokesman and that "We're all pilots now." The foregoing statements were made by Mr. Joseph V. Manning, President of the Union, in the presence of Mr. Michael O'Connell, a representative of the Chairman of the National Mediation Board.

24. Defendant relied on the foregoing representations and recognized the joint committee of pilot and flight engineer representatives for collective bargaining purposes. Joint bargaining took place on a virtually continuous basis for about 4 months thereafter and, in reliance on single representation, defendant made many substantial concessions involving the flight engineers in such bargaining.

(147) 25. After a crew complement agreement was initialed by representatives of the flight engineers, the pilots, and the defendant, on December 1, 1962, and delivered to the mediator for "redding out", only the defendant's representative and the chairman of the joint committee initialed provisions which were settled in bargaining, on the assumption that single representation of the flight engineers and pilots was an accomplished fact. The flight engineer

representatives were present and knew that this procedure was being followed, but they did not object to it.

26. Such bargaining and settlements took place in the presence of the Chairman of the National Mediation Board, Mr. Leverett Edwards, or his representative. A settlement was reached on March 15, 1963. Although the flight engineers were no longer attending the negotiating sessions at that time, they had never repudiated the agreements reached in their behalf. In addition, by refusing to accept the numerous invitations to confer and negotiate concerning other items of interest to them, they waived any right to require bargaining on such items.

27. Among the items settled during this course of bargaining was a dues check-off agreement which would cover all flight deck crew members and require payment of such dues to a different organization. A copy of such agreement is attached hereto as Exhibit E. The agreement in question, while specifying "pilots", was also understood to be applicable to flight engineers.

28. The foregoing agreement has not yet gone into effect. It is part of a settlement which is currently the subject of litigation in this Court (63 Civ. 585).

29. The pilot group with whom the flight engineers joined in negotiating a settlement has formed a new (148) union called the Allied Pilots Association and, on April 24, 1963, submitted to the National Mediation Board an application for a representation determination. A copy of an April 24 affidavit of Mr. Nicholas J. O'Connell, Acting President of the Allied Pilots Association, is attached hereto as Exhibit F. The pending proceedings before the National Mediation Board are covered in paragraphs 7-9 of the affidavit, and the participation of the flight engineers in the joint negotiations is described in paragraphs 11 and 12. In paragraph 12 the following statement appears:

Affidavit of James J. Lamond, April 30, 1963, and Exhibit E thereof.

> "The representatives of the American Airlines pilots stand ready today, as they always have, to honor the understanding with the flight engineer group and go forward with any understandings reached during the process of joint negotiations."

On information and belief, the Union has not sought to confer or negotiate concerning this offer, either with defendant or the Allied Pilots Association.

30. The National Mediation Board asked defendant for the number of pilots who are affected by the representation petition of the Allied Pilots Association. Defendant's reply, a copy of which is attached hereto as Exhibit G, points out that flight engineers were included as a part of the same craft or class of flight deck crew members in the decision attached hereto as Exhibit A. If the National Mediation Board so finds here, this may result in a change in the collective bargaining representative.

31. The Dues Check-Off provision in the Railway Labor Act is found in Section 2 Eleventh (b) (45 U. S. C. A. §152). It limits such agreements to deductions from wages of a carrier's employees "in a craft or class" and payment is similarly limited "to the (149) labor organization representing the craft or class of such employees". In view of the pending proceedings in the National Mediation Board, substantial doubts exist as to (a) whether the flight engineers now constitute a separate craft or class and (b) whether the Union is a bargaining representative. The latter question also is raised in the pending litigation in this Court in which the Union seeks injunctive relief to establish its collective bargaining status. Defendant's position in said suit is that the Union's collective bargaining status has been superseded and defendant has applied for reference to a special master in order to determine the desires of a majority of the employees concerned. Until

the conclusion of the pending litigation and National Mediation Board proceedings, defendant could not enter into a new check-off agreement with the Union without risking a violation of the Railway Labor Act.

WHEREFORE, the Union's application for a preliminary injunction should be denied.

JAMES J. LAMOND

(Sworn to before Murray Padgug, April 30, 1963.)

Exhibit E, Annexed to Affidavit of James J. Lamond, Dated April 30, 1963.

(213) AGREEMENT BETWEEN AMERICAN AIRLINES, INC. AND THE AIR LINE PILOTS IN THE SERVICE OF AMERICAN AIRLINES, INC., AS REPRESENTED BY .....,
(Name of Organization)
COVERING THE ESTABLISHMENT AND PROCEDURES FOR ..... REGULAR MEMBERSHIP
(Name of Organization)
DUES CHECK OFF.

IT IS MUTUALLY AGREED THAT:

A. The Company agrees to deduct from the monthly pay of each pilot employee and remit to the (*Union*) membership dues uniformly levied (not including initiation fees, fines, penalties or assessments) in accordance with the Constitution and By-laws of the Union and as prescribed by the Railway Labor Act, as amended, a monthly amount equal to the Union's regular and usual monthly dues, which monthly amount would be required to be paid by such pilot if a member, provided such pilot voluntarily executes the following agreed-upon form, known as the "Check-Off Form", which shall be prepared and furnished by the Union.

Exhibit E, Annexed to Affidavit of James J. Lamond, Dated April 30, 1963.

ASSIGNMENT AND AUTHORIZATION FOR CHECK-OFF OF UNION DUES

.....
(Name of Organization)

To: American Airlines, Inc.
Attention: Manager-Payroll
633 Third Avenue
New York 17, N. Y.

I, ..., hereby assign to
(Print name, initials and surname)
....., my Union dues from any wages
(Name of Organization)
earned or to be earned by me as your employee. I authorize and direct you to deduct from my pay each month the standard monthly Union dues, in the amount of one and one-half percent (1½%) of my gross earnings (or such monthly dues as may hereafter be established in accordance with the Constitution and By-laws of the Union as my membership dues).

(214) This assignment, authorization, and direction may be revoked by me in writing at any time after the expiration of one year from the date hereof, or upon the termination date of the dues Check-Off Agreement between the Company and the Union, whichever occurs sooner.

This authorization and direction is made subject to the provisions of the Railway Labor Act, as amended, and in accordance with the Check-Off Agreement between the Union and the Company.

Signature of Employee .....

Employee No. .....

Station .....

Dated: .....

Exhibit E, Annexed to Affidavit of James J. Lamond, Dated April 30, 1963.

B. All Check-Off forms will be submitted through the Chairman of the Master Executive Council who will forward the original signed copy to the Manager-Payroll of the Company, care of American Airlines, Inc., 633 Third Avenue, New York 17, N. Y. A properly executed Check-Off form, filed before the 15th of any month will become effective the 1st of the month following its receipt by the Manager-Payroll of the Company. Illegible or improperly executed forms will be returned to the said Chairman of the Master Executive Council.

C. Any notice of revocation as set forth in the Check-Off Form must be in writing, signed by the pilot, and delivered by registered mail, addressed to the Manager-Payroll of the Company, with copy to the Chairman of the Master Executive Council. Check-off Forms and notices so received by the Company will be stamp-dated on the date received and will constitute notice to the Company on the date received and not when mailed.

D. The Company will remit to the Union (MEC Chairman) a check in payment of all dues collected each month, as soon as possible after the payday on (215) which deduction was made. These remittances will be subject to normal accounting practice with respect to adjustments necessary because of the methods involved in the deduction procedure. The Company remittance of Union membership dues to the Union will be accompanied by a list of names, employee numbers, station numbers and amounts of deductions of the pilots for whom deductions have been made in that particular month, arranged in order of their employee numbers.

E. 1. No deductions of Union dues will be made from the wages of any pilot who has executed a Check-Off Form and who has been transferred to a job not covered by the existing Basic Agreement entered into by the parties, or who is transferred to supervisory duties, or who is on leave without pay. Upon return to work as a line pilot, deduc-

Exhibit E, Annexed to Affidavit of James J. Lamond, Dated April 30, 1963.

tions will be automatically resumed as heretofore, provided the pilot has not revoked the assignment in accordance with this Agreement, and provided it is in accordance with the other appropriate provisions of this Agreement and of the Railway Labor Act, as amended.

2. A pilot who has executed a Check-Off Form and who resigns or is otherwise terminated from the employ of the Company shall be deemed to have automatically revoked his assignment and if he is recalled or reemployed, further deductions of Union dues will be made only upon execution and receipt of a new Check-Off Form.

(216) F. Collection of any back dues owed at the time of starting deductions for any pilot, and collection of dues missed because the pilot's earnings were not sufficient to cover the payment of dues in the specific pay period, and collection of dues missed because of accidental errors in the accounting procedures, will be the responsibility of the Union and will not be the subject of payroll deductions, and the Company shall not be responsible in any way because of such missed collections.

G. Deductions of membership dues shall be made from the end of the month paycheck on the basis of one and one-half percent (1½%) of gross earnings, provided there is a balance in such paycheck sufficient to cover the amount after all other deductions authorized by the employee or required by law have been satisfied. In the event of termination of employment, the obligation of the Company to collect dues shall not extend beyond the month in which the pilot's last day of work occurs.

H. In cases where a deduction is made which duplicates a payment already made to the Union by a pilot, and where a deduction is not in conformity with the provisions of the Union Constitution and By-Laws, refunds to the pilots will be made by the Union.

Affidavit of E. G. Hamilton, May 17, 1963.

I. American Airlines, Inc. shall not be held liable for any claims which may be made by the pilot or pilots by virtue of the wrongful (other than willful) application or misapplication of any of the terms herein.

(217) J. This Agreement shall become effective and shall be deemed to be a part of the Basic Agreement and shall continue in full force and effect in accordance with the provisions set forth in Section 33 of the Basic Agreement, effective , 1963.

IN WITNESS WHEREOF, the parties hereto have signed this Agreement this day of , 1963.

WITNESS: FOR AMERICAN AIRLINES, INC.

.....

WITNESS: FOR THE (Name of Organization)

.....

Affidavit of E. G. Hamilton, May 17, 1963.

E. G. HAMILTON, being duly sworn, deposes and says:

1. I am Vice Chairman of the American Airlines Flight Engineers System Board of Adjustment, and have been a member of that Board since February 1959. Prior to that time, I was a member of the Board in 1949, 1955, 1956 and 1957.

2. The Adjustment Board is established by agreement of the parties pursuant to the requirements of Section 204 of the Railway Labor Act (45 U. S. C. A. §184). It is composed of two representatives of the Company and two

Portion of Affidavit of Nicholas J. O'Connell, April 8, 1963 (from Docket No. 28473).

representatives of AAL Chapter, FEIA. In the event of a deadlock, a neutral referee decides the dispute. At the present time, The Adjustment Board has one case on its docket.

3. If the four members of The Adjustment Board can not agree on the person to be chosen as neutral referee, he is selected by the parties or designated by the National Mediation Board.

4. Any grievance appeal to The Adjustment Board would be docketed immediately and a hearing thereon could be had in the normal course of events as early as the first week in June or, as provided in paragraph I of the System Board Agreement, any two members of the Board may request a hearing within fifteen days of such request.

E. G. HAMILTON

(Sworn to before Emilie M. Petersen, May 17, 1963.)

Portion of Affidavit of Nicholas J. O'Connell, April 8, 1963 (from Docket No. 28473).

(293) "12. After a number of meetings, representatives of American's pilots, all of whom were on the Negotiating Committee described above, and representatives of American's flight engineers agreed to the formation of a Joint Negotiating Committee for the purpose of negotiating a single (294) contract with the company which would cover the terms and conditions of employment for all cockpit personnel. On November 1, 1962, a negotiating meeting was held between the company and members of the Joint Committee. At this meeting both the president of the FEIA American Chapter, Joseph Manning, and the Chapter's counsel, Asher Schwartz, advised the company

Portion of Affidavit of Nicholas J. O'Connell, April 8, 1963 (from Docket No. 28473).

that negotiations would henceforth be conducted jointly for the purpose of achieving a single contract under my chairmanship.

CREW COMPLEMENT AGREEMENT.

13. After the announcement to the company of the Joint Negotiating Committee, collective bargaining proceeded on this basis, with meetings being held between the Joint Committee and the company. Since it was agreed that the most pressing issue was the crew complement question, we turned our attention first to that issue. The negotiations were conducted with a view towards arriving at a settlement which would be fair and equitable to all concerned, both flight engineers and pilots, while at the same time providing a maximum of safety to the traveling public. It was to arrive at such a result that concessions were made by all parties to arrive at a solution which would be fair and equitable to all concerned.

14. Following the so-called redding out procedures of the National Mediation Board, agreement on the (295) crew complement questions was reached by all the parties on December 1, 1962, and on that date was initialed by representatives of the company, Joseph Manning, a flight engineer representative on our Joint Committee (and president of the American Chapter) and me.

15. It was my understanding and that of the other signatories to this crew complement agreement that we had reached a final understanding on this question However, the crew complement agreement was to be part of a final contract which was to include a settlement of economic issues such as wages, hours, etc. which were still to be negotiated. Therefore, it was not necessary for us to do any more than to initial the agreement on the crew complement question at that time since it would be included in the formal contract which we would ultimately sign. It was,

Portion of Affidavit of Nicholas J. O'Connell, April 8, 1963 (from Docket No. 28473).

however, completely understood that we would not re-examine in any subsequent negotiations the questions we had settled in the crew complement agreement.

16. After concluding the crew complement agreement, as described above, the Joint Committee continued to negotiate with the company on various other issues. Again, these negotiations were conducted under my chairmanship and with the participation of both pilots and flight engineers. We continued in this fashion until late February. Subsequent meetings were not attended by flight engineers. We never received any letter or other statement from the American Airlines Chapter, FEIA or from the members of the Joint Committee that they would no longer participate in our negotiations with the company or that the Joint Committee should not proceed in any negotiations."

(296) 17. In light of the foregoing and the fact that the Committee was reaching a final agreement on all issues with the company after more than two years of negotiations we continued to have bargaining sessions which resulted in a proposed overall agreement with the company in mid-March. 1963.

MEETINGS TO DISCUSS PROPOSED CONTRACT.

18. During the period March 19 through March 22, 1963, American Airlines Pilots' MEC meetings were held to discuss the proposed agreement. As a consequence the Pilot MEC unanimously ratified the agreement. This was done with full knowledge of the objections raised by the Air Line Pilots Association and after a number of meetings had been held with ALPA over the preceding months in the hopes of reconciling it to the position and wishes of the American Airlines Pilots. Again, I would like to emphasize that the members of the MEC who took this action are the only bargaining representatives elected by the vote of American Airlines Pilots.

Portion of Affidavit of Nicholas J. O'Connell, April 8, 1963 (from Docket No. 28473).

19. It was decided by the MEC that it would be desirable for the local chairman (each of whom is a member of the MEC) to call meetings at their respective base stations in order to explain and discuss the contents of the proposed agreement. Invitations to attend these discussion-sessions were to be extended to American's flight engineers, as well as to the pilots, in order that they might participate in these meetings and present their views if they wished.

(297) 20. The first such meetings were held on Tuesday, April 2, in Buffalo and in Boston and were to be followed by meetings at other bases as established by the local representatives. The MEC does not have the power nor authority to call any of these meetings directly—that is within the exclusive responsibility of the local representatives.

21. The immediate effect of the injunction sought by the American FEIA Chapter would be to disrupt and interfere with the meetings as described. As such it would involve the violation of the most fundamental rights of American Airlines flight crew personnel to peacefully assemble and discuss problems of great economic and professional concern to them. Indeed, irreparable damage to these constitutional rights has already been done under the guise of the court's restraining order. At this writing we understand on the basis of reliable reports that the president of the Air Line Pilots Association has distributed a letter to American pilots leading many of them to believe that the court has enjoined the scheduled meetings. This, of course, is untrue but I have received numerous calls from pilots in the Chicago area telling me that they understand they may not hold their scheduled meetings. We are trying to correct their misunderstanding, but, of course, the damage has been done.

Portion of Affidavit of Nicholas J. O'Connell, April 8, 1963 (from Docket No. 28473).

22. In Mr. Manning's affidavit he refers to an organization called the Allied Pilots Association. I want (298) to emphasize again that the meetings which are scheduled for the discussion of the proposed contract are being called by local representatives at the various American Airlines bases and will be addressed by myself and other defendants in our capacity as duly elected officers of the pilots' MEC and members of the Negotiating Committee. Our avowed purpose for forming the Allied Pilots Association is in order that we may, if the flight personnel so desire, execute an agreement through the offices of a new organization which will not have been directly involved in any of the troublesome events which have gone before.

23. The scheduled meetings and the freedom of the flight crew personnel to discuss the terms of the proposed contract at those meetings are indispensable to the early attainment of the substantial economic benefits contained in that agreement. If it is found that the agreement is unacceptable to the majority of flight crew personnel immediate steps would have to be taken to conclude a satisfactory agreement with the company. If, on the other hand, the majority of the flight crew personnel approve the agreement (and from the reports we believe that an overwhelming majority will approve) then it is imperative that we take immediate steps to put the agreement into effect so that those who are affected by it may enjoy the benefits it contains and which have been sought in more than two years of continuous and arduous negotiation.

24. The defendants wish to submit to the court a memorandum of law citing legal authorities which will (299) clearly confirm our rights. However, I respectfully submit to the court that the facts speak for themselves and that the injunctions sought by the FEIA American Chapter would violate our most fundamental constitutional and statutory rights.

Affidavit of William B. Whitacre, July 11, 1963, with Exhibits D and E (Submitted in Connection with Suggestion of Mootness in Docket No. 28473).

(532) WILLIAM B. WHITACRE, being duly sworn, deposes and says:

1. I am Vice President—Personnel of American Airlines, Inc., defendant in this case.

2. This affidavit is supplied in support of defendant's position that, because of new evidence, the motions now under consideration by the Court have become moot. The new evidence in question is set forth in this affidavit.

3. On July 9, 1963, American Airlines signed collective bargaining agreements with the Allied Pilots Association. Section 1 of the basic agreement reflects (533) the recognition of Allied as the collective bargaining representative for American Airlines pilots.

4. Allied also was given a letter of recognition, in accordance with its demand. A true and correct copy of the letter is annexed hereto as Exhibit A.

5. Allied's demands for recognition are reflected in letters dated July 3, 1963 and June 19, 1963, true and correct copies of which are annexed hereto as Exhibits B and C respectively.

6. The collective bargaining agreements between American Airlines and the Allied Pilots Association, which have a duration of two years, in no way affect the separate bargaining status of the AAL Chapter, FEIA. Moreover, a July 9, 1963 letter from Allied to American contains the following statement:

> "It is not our intention that the documents signed today be interpreted as covering, or in any way jeopardizing, the rights of the American flight engineers."

Exhibit D, Annexed to Affidavit of William B. Whitacre, dated July 9, 1963.

A true and correct copy of the letter is annexed her to as Exhibit D.

7. Accordingly, American Airlines has notified the AAL Chapter, Flight Engineers International Association of the Company's willingness to commence bargaining with the flight engineers separately. The notification is (534) contained in a letter of July 11, 1963 from me to Mr. Joseph Manning, a true and correct copy of which is anexed hereto as Exhibit E.

WILLIAM B. WHITACRE

(Sworn to before Nancy L. McClure, July 11, 1963.)

Exhibit D, Annexed to Affidavit of William B. Whitacre, dated July 9, 1963.

(LETTERHEAD)

July 9, 1963

(546)

WILLIAM B. WHITACRE,
Vice President—Personnel
American Airlines, Inc.
633 Third Avenue
New York, N. Y.

Dear Mr. Whitacre:

In connection with the pilot contract being signed today, the position of the Allied Pilots Association concerning the flight engineers on American Airlines should be made clear

Exhibit D, Annexed to Affidavit of William B. Whitacre, dated July 9, 1963.

to the company. It is not our intention that the documents signed today be interpreted as covering, or in any way jeopardizing, the rights of the American flight engineers.

If at any time in the future the American Airlines flight engineers indicate a desire to become part of the American pilot group and they have so indicated by the positive action of a majority of their group that they wish to join with us and to have one union in the cockpit, the Allied Pilots Association will accept all American flight engineers as pilot members, on fair and reasonable terms respecting the rights of both the flight engineers and the pilots. These terms shall include guaranteeing the priority to each flight engineer, in accordance with his seniority to the third seat on all aircraft operated by the company with three or more cockpit crew members, and the right to non-discriminatory representation.

Sincerely,

FOR THE ALLIED PILOTS ASSOCIATION

NICHOLAS J. O'CONNELL, JR.
President

NJO cb

Exhibit E, Annexed to Affidavit of William B. Whitacre, dated July 11, 1963.

(LETTERHEAD)

July 11, 1963

(547)

MR. JOSEPH V. MANNING
President—Flight Engineers
International Association,
AAL Chapter
Box 968
Palos Verdes Estates, California

Dear Mr. Manning:

As you have been previously notified, American Airlines entered into agreements on July 9 with the Allied Pilots Association. These newly negotiated agreements relate to pilots only.

The Allied Pilots Association, at our request, has given us assurances for the protection of flight engineers. A copy of their letter containing such assurances is enclosed for your information.

Because of these developments, we are now prepared to resume bargaining with AAL Chapter, FEIA.

Sincerely,

W. B. WHITACRE
Vice President—Personnel

Enclosure
cc: National Mediation Board

Letter from Counsel for Appellees to James J. Lamond, July 19, 1963.

[LETTERHEAD]

July 19, 1963

Mr. James J. Lamond, Jr.,
American Airlines, Inc.,
633 Third Avenue,
New York 17, N. Y.

Dear Jim:

This will confirm the understanding which we reached on the telephone this afternoon that the Flight Engineers' Committee will meet with management on Thursday, July 25, 1963, at 1:30 P. M., and possibly through Wednesday, July 31, 1963, at the offices of the Company.

We have a further understanding that neither these meetings nor the discussions had at any of them are to jeopardize or have any effect on the position of any party in the Ruby and Manning cases pending before the United States District Court.

Sincerely yours,

O'DONNELL & SCHWARTZ

AWS:CGM
CC: Mr. Joseph V. Manning

Portion of Negotiating Notes, January 31, 1963.

Whitacre opened with remarks that Company proposes to discuss Flight Officer pay with the joint committee under O'Connell. Company is not addressing itself to the old F/E pay opener.

Manning does not agree with this approach. Lyons was asked to comment but declined. Preferred to remain non-participant until Company and Flight Engineers work out the basic pay details. As to future, pilots will be interested in Flight Officer rates since positions will ultimately be filled by pilots. Suggested that we not stand on technicalities but put forth figures for discussion.

Lyons also stated that the pilots were ready to give the Engineers complete backing in achieving their goals. Sees no reason why Engineers cannot be brought up to industry standard before application of reduced hours, gimmicks and pension plan.

JVM* We are here as separate committee working jointly to reach agreement on crew complement, basic agreement and merger. We have a position under the Railway Labor Act and intend to protect it. In terms of details maybe the approach is, as WBW hinted, to consider two wage scales—Flight Officers and Flight Engineers.

WBW** Understand your position on maintaining identity until agreement is reached. However, sooner or later you must decide what you are going to do.

ECP*** Are we not still open on wages?

WBW Yes and you can process as you see fit.

ECP Then what is our problem.

WBW The problem of whether you affiliate with American pilots or with ALPA.

ECP Don't see the connection.

WBW All one pot as far as AA is concerned. We are putting a lot on the line and must be assured a single cockpit union to get our money's worth. We cannot consider dealing

---

* J. V. Manning..... President, FEIA, AAL Chapter.
** W. B. Whitacre..... Vice President—Personnel, American.
*** E. C. Petree..... FEIA Negotiating Committee.

Portion of Negotiating Notes, January 31, 1963.

with FEIA separately. If you are committed to join pilots we have one bargaining situation. If you stay FEIA we have another. You can have it either way.

JVM Let's review. These negotiations are an extension of the request by Goldberg last July, all aimed at solution of the crew complement problem. Now we are talking F/E wages. FEIA is here speaking for F/E's. We are prepared to merge but have not as yet done so. We have never indicated otherwise.

WBW I disagree. When you initialled the crew complement document you set up the one union deal.

JVM Down the road.

WBW Yes down the road. Such being the case we can confine our thinking to the Flight Officer position.

JVM Yes but the F/E's have a wage opener.

WBW O. K. Make me a proposal.

MA* If there is any doubt in your mind about whether we will ultimately merge with the pilots, just ask them.

FEIA members took recess at 2:45 P.M. Went to 307. Pilots joined them.

Resumed at 3:25 P. M. O'Connell now in attendance.

JVM We're somewhat surprised at your concern that we may back out of the deal. Feel we got this discussion off on the wrong foot. Time is working against us. Good faith has prevailed to this point, no need to change now. Regardless of technicalities, we should talk substance.

Manning then made a written proposal involving 9% retroactive to 5/1/61, 8½% retroactive to 5/1/62 and 100% of co-pilot pay effective 5/1/63, immediate effectiveness of present 21E & F, participation in pilot pension plan and reduced hours. Proposal was headed AAL Chapter, FEIA, AFL-CIO.

Proposal also committed Engineers to going along with union shop or agency shop as negotiated by pilots.

---

* M. Apkarian..... FEIA Negotiating Committee.

Portion of Negotiating Notes, February 1, 1963.

N. J. O'Connell and Manning arrived with Asher Schwartz at 2:45. W. B. W., Schwartz & Manning discussed the status of F/E's in regard to wage opener. Basic issue—must the Company negotiate a separate wage agreement with FEIA before FEIA & ALPA consolidate.

WBW Company maintains that there is no connection between these negotiations and the FEIA wage opener.

AS* When we desired to open on wages, Kayser asked us to hold off. We did. After a while we came in again and were told to hold off since the Company did not know how the crew complement problem could be solved. Thereafter the Company continuously refused to discuss wages. At our meetings in Washington you offered us 5% retro to 5/1/61 with another 3% effective 5/1/62 and agreed to buy the TWA crew complement settlement. This offer was made on July 12, 1962—this to close out our negotiations.

DP** In all our prior negotiations with FEIA, the new concepts of reduced hours and improved duty rigs did not exist.

AS Yes but through all of your negotiations with the pilots since last July we have been standing by awaiting a solution of our wage problem. In August, O'Connell told us about the merger deal he had in mind which, he said, would include an increase for the Engineers. We went to work with him and ultimately put together a merger agreement which was 99% completed. Subsequently we worked with you and ALPA in completing a crew complement document which we finished in December. About this time you met with us alone and discussed wages—you said you would negotiate with the pilots on F/E wages and even mentioned a percentage of copilot pay. We disagreed then went to N J O and he agreed that we would negotiate our own

---

* A. Schwartz..... Counsel, FEIA.

** A. DiPasquale..... Assistant Vice President—Labor Relations, American.

Portion of Negotiating Notes, February 1, 1963.

wages as part of the whole package. You cannot now tell us that our wages are not open for negotiations with us. Until we actually merge with the pilots, we negotiate for ourselves.

Don't see it that way. We are working jointly so how can I accept a proposal made in the name of FEIA.

You are talking about yesterday's proposal. I am guilty of that. This was in response to your discussion with us the other day during which you implied that the cost of all of the benefits of the new agreement would be deducted from our wage gains.

If you want to discuss your Section 6, the Company's position is that we are at an impasse. If you want to discuss the proposed merged deal, you forget your Section 6.

I have no intention of taking away your rights under the Railway Labor Act. If you want to negotiate wages separately we will talk but the benefits of the pilot agreement go out the window.

We realize that we are not negotiating reduced hours and duty rigs as part of our wage opener. But if we do not make a deal on wages, there may be no other deals. We have no objection to be considered a part of a joint negotiating committee for purposes of crew complement but not at the sacrifice of our right to negotiate wages.

---

* A. M. Wisehart..... Counsel, American.

Flight Engineer Wage Proposal Made to American, February 2, by the FEIA in the Name of the "Joint Committee Representing the Cockpit Crew Members."*

Flight Officer Counter Proposal.

The Joint Committee representing the cockpit crew members in the current negotiations to settle the crew complement issue on American Airlines make the following counter-proposal based on the assumption that they are merging with the Pilots in an over-all settlement of the crew complement issue:

1. Same as Company February 1, 1963 proposal, Para. # 1.

2. Same as Company February 1, 1963 proposal, Par. # 2.

3. The Committee proposes that the Flight Officer pay during the term of the Pilot's new basic working agreement shall be 98% of the co-pilots yields in such agreement by equipment for 85 hours of flying one-half day, one-half night for 75 hours of flying (pay and credit) on the jet aircraft, and for 80 hours of flying (pay and credit) on piston and turbo-prop aircraft.

4. The Position of the Committee on an increase in wages effective May 1, 1961 until the effective date of the new Pilots' basic working agreement is the same as that stated in the January 30, 1963 proposal.

5. Same as Company February 1, 1963 proposal, Par. # 4.

February 2, 1963

* Intervenors' Exhibit 38 in Bargaining Case.

Portion of Negotiating Notes (Plaintiffs' Exhibit 107 in Bargaining Case), February 12, 1963.

Opened at 4:00 P. M. (Pilots and Flight Engineers were in private conference all day).

NJO* opened by suggesting a discussion of crew complement—referring back to Company's concern that FEIA may not go through with the deal if the Pilot committee is forced to separate from ALPA.

Whitacre indicated his desire that FEIA demonstrate their willingness to go along with the Pilots regardless of the ALPA problem.

JVM** indicated that he had no reservations about giving up representation rights—but to merge with whom? Crew complement document assumed merger with ALPA.

NJO* pointed out that the recently drafted modified crew complement document eliminates ALPA and contemplates a merger between the AA pilot committee and the FEIA—but it does not preclude ALPA signing and solving the whole problem.

NJO assured WBW*** that the FEIA would go along and that they would review the new document and advise their position.

WBW asked Manning to initial the modified CCD so that negotiations can proceed. Some discussion followed—but no direct answer to the question.

Manning stated clearly that he sees it as a timing problem. If we complete the deal and the pilots get out of ALPA and form a new organization, FEIA will join that organization—but it must be an organization.

NJO expressed surprise saying his understanding was that if a new organization became a necessity it would be formed by pilots and engineers in unison.

After additional discussion, O'Connell referred to Manning's argument to review the revised C.C.D. and advise.

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* N. J. O'Connell..... President, Allied Pilots Association
** J. V. Manning..... President, FEIA, AAL Chapter.
*** W. B. Whitacre..... Vice President—Personnel, American.

Portion of Negotiating Notes (Plaintiffs' Exhibit 108 in Bargaining Case), February 13, 1963.

JVM Crew Complement—will not be ready to discuss until P. M.

VBW Will equal TWA gross by equipment for reduced hours but no retirement—retirement to be deferred for a specified period. Suggest 3 year contract, can open in two years on retirement *or* wages, not both. This withdraws Co. former proposal of 2½% across the board plus pilot retirement.

TWA rates are approximately 90% of our copilot pay. If this no good will pay industry average.

EJM* explained details of WBW proposal.

N. J. O. expressed concern over F/E's being in a separate pension plans—looking for agreement as to when Engineers could come into pilot plan. Suggested relating it to the date of 75 hour implementation—some period thereafter.

WBW proposed—two years after signing—pick up present contribution to present plan—two years after that put them in pilot plan.

or

two years after full implementation—put them in pilot plan.

Recessed at 12:15 for lunch.

Edwards** joined group during luncheon recess.

Resumed at 2:15. Whitacre explained (in response to NJO question) that when company puts F/E's in pilot plan it does not mean picking up F/E's contracts. If we do that, we adjust percentages downward.

Nick*** countered with TWA rates plus putting F/E's into pilot plan 18 months from signing, reducing percentages (by approximately 7%) accordingly.

WBW No soap.

Edwards left at 3:15 P. M.

Schwartz joined group at 3:30 P. M.

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* E. J. Mahon ..... American Negotiating Committee.
** L. Edwards ..... Chairman, National Mediation Board.
*** N. J. O'Connell ..... President, Allied Pilots Association.

Portion of Negotiating Notes (Plaintiffs' Exhibit 108 in Bargaining Case), February 13, 1963.

Pilots F/E's asked for recess after which NJO proposed 1/1/66 as date of putting F/E's in pilot plan with suitable reduction in rate.

WBW agreed to consider.

Collective Bargaining Agreement of July 9, 1963 between American Airlines, Inc. and Allied Pilots Association (submitted at request of District Court in Docket No. 28473).

(Opposite ☞)

AGREEMENT

between

AMERICAN AIRLINES, INC.

and

THE AIR LINE PILOTS

in the service of

AMERICAN AIRLINES, INC.

as represented by

ALLIED PILOTS ASSOCIATION

Effective: July 9, 1963

AGREEMENT

between

AMERICAN AIRLINES, INC.

and

THE AIR LINE PILOTS

in the service of

AMERICAN AIRLINES, INC.

as represented by

ALLIED PILOTS ASSOCIATION

Effective: July 9, 1963

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AGREEMENT

between

AMERICAN AIRLINES, INC.

and

THE AIR LINE PILOTS

in the service of

AMERICAN AIRLINES, INC.

as represented by the

ALLIED PILOTS ASSOCIATION

EFFECTIVE: July 9, 1963

THIS AGREEMENT is made and entered into in accordance with the provisions of the Railway Labor Act, as amended, by and between AMERICAN AIRLINES, INC., hereinafter known as the "Company," and the air line pilots in the service of AMERICAN AIRLINES, INC., as represented by the ALLIED PILOTS ASSOCIATION, hereinafter known as the "Association".

In making this Agreement the parties hereto recognize that compliance with the terms of the Agreement and the development of a spirit of cooperation is essential for mutual benefit and for the intent and purpose of this Agreement.

It is hereby mutually agreed:

SECTION 1
RECOGNITION

The Association has shown satisfactory proof to the Company of the fact that it represents more than a majority of the air line pilots of the Company.

SECTION 2
DEFINITIONS

A. Pilot

"Pilot" shall include and mean Bid First Pilot, First Pilot, Reserve First Pilot, ATPC Pilot, Bid Copilot, Copilot, Reserve Copilot and Non-Bid Pilot.

B. Bid First Pilot

"Bid First Pilot" means a pilot who is in command of the aircraft and is responsible for the manipulation of, or who manipulates the flight controls of an aircraft while under way, including takeoff and landing of such aircraft, and who is properly qualified to serve as, and holds a currently effective airman's certificate authorizing him to serve as such pilot and who holds First Pilot bid status.

C. First Pilot

"First Pilot" means a pilot who is in command of the aircraft and is responsible for the manipulation of, or who manipulates the flight controls of an aircraft while under way, including takeoff and landing of such aircraft, and who is properly qualified to serve as, and holds a currently effective airman's certificate authorizing him to serve as such pilot and who holds Copilot bid status and who has been awarded a regularly scheduled monthly sequence of trips.

D. Reserve First Pilot

"Reserve First Pilot" means a pilot who has been checked out and is currently designated as such by the Company, and who is responsible for the manipulation of, or who manipulates the flight controls of an aircraft while under way, including takeoff and landing of such aircraft, and who is properly qualified to serve as, and holds a currently effective airman's certificate authorizing him to serve as a first pilot.

E. ATPC Pilot

"ATPC Pilot" (Airline Transport Pilot Certificate) for the purposes of this Agreement means a copilot who has received the certificates and ratings necessary for advancement to the status of Reserve First Pilot.

F. Bid Copilot

"Bid Copilot" means a pilot who is second in command of the aircraft and any part of whose duty is to assist or relieve the first pilot in the manipulation of the flight controls of the aircraft while under way, including takeoff and landing of such aircraft, and who is properly qualified to serve as, and holds a currently effective airman's certificate authorizing him to serve as such copilot and who holds Copilot bid status.

G. Copilot

"Copilot" means a pilot who is second in command of the aircraft and any part of whose duty is to assist or relieve the first pilot in the manipulation of the flight controls of the aircraft while under way, including takeoff and landing of such aircraft, and who is properly qualified to serve as, and holds a currently effective airman's certificate authorizing him to serve as such copilot and who has been awarded a regularly scheduled monthly sequence of trips.

H. Reserve Copilot

"Reserve Copilot" means a copilot as defined in this Section, who has not been awarded a regularly scheduled sequence of trips.

I. Bid Pilot

"Bid Pilot" means a pilot who holds bid status at a particular base station as the result of filling a pilot bid vacancy as determined in

accordance with Section 23 of this Agreement. Such bid pilot may be referred to as a "bidholder" or "bidholding pilot".

J. Non-Bid Pilot

"Non-Bid Pilot" means a pilot who does not hold bid status.

K. Designations

For the purposes of this Agreement, the term "first pilot" or "all first pilots" means and includes Bid First Pilots, First Pilots and Reserve First Pilots. The term "copilot" or "all copilots" means and includes Bid Copilots and Reserve Copilots. The term "Reserve Pilot" means and includes Reserve First Pilot and Reserve Copilot.

L. Day Flying — Night Flying

"Day Flying" shall include all flying between the hours of 0600 and 1800 Local Time and "Night Flying" shall include all flying between the hours of 1800 and 0600 Local Time.

M. Calendar Month

"Calendar Month", as used herein, shall mean the period from the first day of, to and including the last day of each calendar month of the year, except that for pilot scheduling and pay purposes, January, February and March will each be considered a thirty (30) day month through the addition of January 31 and March 1 to the month of February. Leap year will make February a thirty-one (31) day month.

N. Pay or Compensation

"Pay" or "Compensation", for the purposes of this Agreement, means longevity, hourly, gross weight and mileage pay.

O. Schedule

"Schedule" means the operating schedule used by the Company in its operations.

P Service

"Service" means the period of time assigned to active duty as a flight deck operating crew member or supervisor with the Company.

Q. Reinstatement Rights Holder

"Reinstatement Rights Holder" means a pilot who holds a prior right to reinstatement to a base station and status under the terms of this Agreement.

R. Furlough

"Furlough" means the removal of a pilot from active duty as a pilot with the Company without prejudice, due to a reduction in force, or the period of time during which such pilot is not in the active employ of the Company as a pilot due to such reduction in force.

S. Co-terminals as used in this Agreement shall mean:

1. Idlewild/Newark/LaGuardia
2. Midway/O'Hare
3. Fort Worth/Dallas
4. Los Angeles/Ontario
5. San Francisco/Oakland
6. Washington/Dulles International

SECTION 3
LONGEVITY PAY

All first pilots shall receive longevity pay (salary where indicated) in accordance with total accredited service with the Company as a pilot

(including first pilot, reserve pilot and copilot) as follows:

1st year	*$500.00 per month
2nd year	2.79 per hour
3rd year	2.99 per hour
4th year	3.18 per hour
5th year	3.38 per hour
6th year	3.57 per hour
7th year	3.77 per hour
8th year	3.96 per hour
9th year	4.16 per hour
10th year and thereafter	4.35 per hour

*Salary. All other figures are longevity pay.

SECTION 4
FLYING PAY — FIRST PILOTS

In addition to longevity pay, all first pilots shall receive flying pay set forth below:

Hourly Pay:

Aircraft Pegged Speed	Hourly Pay Day	Night
UTBNI 275 MPH	$7.35	$ 9.85
275 " 300 MPH	7.60	10.10
300 " 325 MPH	7.85	10.35
325 " 350 MPH	8.10	10.60
350 " 375 MPH	8.35	10.85
375 " 400 MPH	8.60	11.10
400 " 425 MPH	8.85	11.35
425 " 450 MPH	9.10	11.60
450 " 475 MPH	9.35	11.85
475 " 500 MPH	9.60	12.10
500 " 525 MPH	9.85	12.35
525 and over	10.10	12.60

Mileage Pay:

All first pilots shall be paid 2.2 cents per mile for each mile flown.

Gross Weight Pay:

All first pilots shall receive gross weight pay at the rate of 2 cents per thousand pounds of gross weight of the airplane flown for each hour flown.

SECTION 5

Pay — COPILOTS

Each copilot who has completed one year of service with the Company as a pilot shall be paid at a rate based on a percentage of first pilot pay for the same year of service as follows:

Year in which serving	Percentage of comparable year First Pilot Pay
Second	50%
Third	60%
Fourth	61%
Fifth	62%
Sixth	63%
Seventh	64%
Eighth	65%
Ninth	66%
Tenth Year and thereafter	67%

First Year Copilots shall be paid a salary of $500 per month.

SECTION 6
PAY — RESERVE FIRST PILOTS

Reserve first pilots shall receive first pilot rates when serving as first pilots or when serving as copilot.

SECTION 7
MINIMUM GUARANTEES

A. A pilot who holds a trip selection award other than a pilot with less than one (1) year of service with the Company, shall receive as a minimum guarantee for each full calendar month of service compensation equal to 80% of the applicable monthly maximum, at half-day, half-night rates as set forth in this Agreement for the equipment in such trip selection award.

B. A pilot who is awarded a reserve flying assignment other than a pilot with less than one (1) year of service with the Company, shall receive as a minimum guarantee for each full calendar month of service compensation equal to 85% of the applicable monthly maximum, at half-day, half-night rates as set forth in this Agreement for the equipment in such reserve flying assignment.

C. When a pilot flies or is scheduled to fly more than one (1) type of equipment or does no flying during a calendar month, his monthly guarantee shall be prorated on the basis of the ratio of the hours flown on each type of equipment to the total flown in the month, except that in no event shall his guarantee be less than the appropriate guarantee based on the highest paying type of equipment involved in his original trip selection award or original reserve flying assignment.

D. All monthly guarantees shall be prorated on a daily basis when a pilot changes his pay status during the calendar month. Actual earnings or the prorated guarantee in effect at the time such earnings accrue, whichever is greater, shall be paid. In no event shall a Reserve First Pilot receive less than $1,000 in a calendar month.

Example of Reserve First Pilot Guarantee:

CONDITIONS: Tenth year pilot serves from April 1 through April 25 as L-188 copilot, logging 64 day hours, 40 of which are credited in the first 15 days. Effective April 26 he is designated a Reserve First Pilot in the DC-6 equipment subdivision, thereafter is credited with 8 hours, half-day, half-night.

EXPLANATION AND COMPUTATION: Guarantee for the first 15 days is as copilot, last 15 days as first pilot, each prorated on the basis of the monthly distribution of flight time by equipment — 88.89% (64/72) in L-188, 11.11% (8/72) in DC-6. Earnings for each period are compared against the prorated guarantee and the greater amount paid.

APRIL 1 THROUGH 15

	Actual Earnings	Prorated Guarantee	Greater Amount
40 day hours, L-188 copilot hourly rate = 40 x $15.4234	616.94		
88.89% of regular copilot L-188 15 day guarantee = 88.89 x $520.35		462.54	
11.11% of regular copilot DC-6 15 day guarantee = 11.11 x $446.38		49.59	
		512.13	616.94

APRIL 16 THROUGH 30

	Actual Earnings	Prorated Guarantee	Greater Amount
24 day hours, L-188 copilot hourly rate = 24 x $15.4234	370.16		
8 hours, ½D, ½N, DC-6 first pilot hourly rate = 8 x $20.82	166.56		
	536.72		
88.89% of reserve first pilot L-188 15 day guarantee = 88.89 x $825.18		733.50	
11.11% of reserve first pilot DC-6 15 day guarantee = 11.11 x $707.88		78.65	
		812.15	812.15
TOTALS	1,153.66	1,324.28	1,429.09

Pilot's pay for the month is $1,429.09

E. When a pilot who is awarded a reserve flying assignment is assigned by the Company to fly equipment on which the rates of pay are less than the rate of pay of the lowest paying equipment involved in such pilot's original reserve flying assignment, such pilot shall be paid for such flying at rates based on the lowest paying equipment involved in his original reserve flying assignment. For the purposes of paragraph D above, all hours flown by such pilot in his equipment subdivision or a lower paying equipment subdivision will be considered to have been flown

in the highest paying equipment in his original reserve flying assignment.

F. Notwithstanding the provisions of paragraph A of this Section, when the Company introduces new equipment of a type not previously operated by the Company, for the first twelve (12) calendar months of scheduled service of such new equipment type, a pilot who holds a regular trip selection on such new equipment type, other than a pilot in his first year of service, shall receive as a minimum guarantee for each full calendar month of service compensation equal to 85% of the applicable monthly maximum at half-day, half-night rates, and for the same period such pilot shall be paid and credited, on a scheduled basis, for any regularly scheduled trip from which he must be removed because of the substitution of an equipment type on which he does not hold qualification.

G. When a copilot is designated as a Reserve First Pilot or First Pilot during a calendar month, he shall retain that designation from the date of designation to the end of the calendar month (and his First Pilot guarantee shall be for a period of not less than fifteen (15 days) provided that a First Pilot or Reserve First Pilot who is scheduled to fly a trip or trip sequence originating in the prior month and terminating on the first day of the succeeding calendar month and who flies such schedule into the first day of the succeeding calendar month in which he has been awarded copiiot flying only, will not be considered to be designated as a Reserve First Pilot for such succeeding month on the basis of being scheduled to fly into the first day. For his First Pilot flying on his first day of the month, such pilot will receive pay for either the First Pilot flying performed or 1/30 of the applicable First

Pilot guarantee on the equipment he flew, whichever is greater. If such pilot is delayed on the scheduled flight and actually flies beyond the first calendar day, he will not be designated as a Reserve First Pilot for the month except that for pay purposes his pay guarantee only will be computed as though he was so designated on the first calendar day of the month. If such pilot is scheduled to fly or rescheduled to fly beyond the first calendar day of the month as described in this paragraph, he will be designated as a Reserve First Pilot for the month.

H. When a pilot is moved from the propeller equipment division to the jet equipment division in accordance with Section 24-C-4 of this Agreement, he shall receive, as a minimum guarantee, compensation equal to 85% of the applicable monthly maximum at half-day, half-night rates based on the highest paying jet equipment in the subdivision to which he is assigned.

SECTION 8
PAY AND CREDIT — PILOT RELIEVED OF FLYING DUTIES

A. Pay — General

The pay provisions of this Section shall apply to a pilot who is relieved of his regular flying duties for any of the following reasons:

1. Sick leave not in excess of accrued sick leave as provided in Section 14 of this Agreement.

2. To engage in a training program other than training on a regular day off.

3. For vacation and for the duty-free forty-eight (48) hour period preceding the selected portion of such vacation.

4. To serve as a juror in response to official summons.

B. Pay — Regular Scheduled Pilot

A pilot who holds a trip selection award, other than a pilot in his first year of service, and who is relieved of his regular flying duties as set forth in paragraph A of this Section shall receive pay, on the basis of scheduled flight time plus applicable credits as provided under Sections 21 E and 21 F of this Agreement, for the trips he was scheduled to fly as a result of his trip selection. In no case shall such pilot receive less than the proportionate part of his minimum guarantee prorated on a daily basis as provided in this Agreement.

C. Pay — Reserve Pilot

A pilot who does not hold a trip selection award, other than a pilot in his first year of service, and who is relieved of his regular flying duties as set forth in paragraph A of this Section, shall receive pay on the basis of a daily rate determined in accordance with the following:

1. If he is relieved of his regular flying duties for twenty (20) days or less during a calendar month, such daily rate shall be equal to his actual earned pay during such month divided by the number of days he was available during such month. In this instance, days available includes all days except those involved in the period of relief from flying duties as set forth in paragraph A of this Section.

2. If he is relieved of his regular flying duties for twenty-one (21) days or more during a calendar month, such daily rate shall be based on the highest daily rate, determined in accordance with (1) above, for any of the three

(3) preceding calendar months.

In no event may such pilot's total monthly earnings be less than eighty-five percent (85%) nor more than one-hundred percent (100%) of his applicable monthly maximum at half-day, half-night rates based on a full calendar month of service.

D. Pay — First Year Pilot

A pilot in his first year of service shall continue to receive his flat salary when relieved of his regular flying duties as set forth in paragraph A of this Section.

E. Credit — Regular Scheduled Pilot

For purposes of flight time limitations, a pilot who holds a trip selection award and who is relieved of his regular flying duties as set forth in paragraph A of this Section, or who is on unpaid leave of absence, shall be credited with the scheduled flight time plus applicable credits as provided under Sections 21 E and 21 F of this Agreement, for the trips he was scheduled to fly as a result of his trip selection.

F. Credit — Reserve Pilot

For purposes of flight time limitations, a pilot who does not hold a trip selection award and who is relieved of his regular flying duties as set forth in paragraph A of this Section, or who is on unpaid leave of absence, shall be credited with one-thirtieth (1/30) of his applicable monthly maximum for each calendar day of the period of relief from flying duties. In a thirty-one (31) day month other than January or March, such pilot shall receive no flight time credit for the first twenty-four (24) hours of the first duty-free period which falls in the period of relief from schedule.

G. Jury Duty Pay

A pilot who is paid for jury duty in accordance with the provisions of this Section will have deducted from such pay the amount of remuneration he received for his service as a juror.

SECTION 9
COMPUTATION OF FLYING PAY

A. Determination of Hours

1. In determining the hours flown by pilots for pay purposes the actual time from block to block and time credited for pay purposes as specified elsewhere in this Agreement shall be used; provided that on each leg of a flight where scheduled times have been established the pilot shall be paid for no less than such scheduled time. The respective hourly pay brackets shall be determined in accordance with the speeds of aircraft established in paragraph B of this Section.

2. In computing the pay for night flying, the actual night hours shall be used as defined in Section 2, paragraph L, of this Agreement and when changes in local time occur during the flight, the local time at the station of last departure shall be used in computing the day and night flying time for that leg of the flight; provided that on each leg of a flight where scheduled times have been established the pilot shall be paid for no less than such scheduled time.

3. When the scheduled block to block time is found in actual operation to be improper, conferences shall be held at the request of the pilot representatives for the purpose of establishing proper scheduled times to be used for pay purposes.

B. Determination of Speeds and Mileage

1. The speeds of aircraft now in service or to be in service during the life of this Agreement shall be established for hourly and mileage pay purposes as follows:

	Hourly Pay	Mileage Pay
DC-6 Type	275 MPH	260 MPH
DC-7 Type	325 MPH	310 MPH
Electra L-188	375 MPH	355 MPH
Boeing 727	520 MPM	530 MPH
Boeing 707-323C	545 MPH	545 MPH
Boeing 707-720B	545 MPH	545 MPH
Boeing 707-123B	545 MPH	545 MPH
Convair 990	545 MPH	545 MPH

Convair 240 aircraft will be paid at DC-6 rates.

2. The mileage to be used for mileage pay computation shall be determined by multiplying the speeds for the type aircraft flown as specified herein by the total number of hours flown and credited, as specified in paragraph A of this Section.

3. When the Company introduces aircraft other than those specified in this Section, or modifies current aircraft or their operation in such a manner as to vary an established speed five (5) or more miles per hour over the established speeds specified herein, a speed shall be determined for such new or modified aircraft in the following manner:

a. An optimum air speed will be determined from the manufacturer's performance charts by assuming that the aircraft in question is loaded to maximum certificated gross weight for takeoff and takeoff made from sea level under standard conditions. Climb will be made to high blower optimum altitude using

the Company's established power control procedures. At optimum altitude and at the gross weight of the aircraft at that time, a true air speed will be fixed at scheduled operation cruising power, high blower, standard conditions for the altitude.

b. A ratio shall be established on the most comparable type of aircraft presently in operation, between the established speed of such aircraft, as specified in this Section, and the true airspeed of that aircraft at optimum altitude under the conditions set forth in subparagraph "a" above.

c. This ratio shall be applied to the true airspeed at optimum altitude of the new or modified aircraft and the figure resulting from the application of such ratio, rounded to the nearest five (5) miles per hour, shall then be the established speed for pay purposes of such new or modified aircraft.

d. These procedures shall not apply when the established speed of new or modified aircraft results in a figure greater than 599 miles per hour.

C. Determination of Gross Weight

The gross weight of an aircraft shall be the maximum certificated gross weight rounded to the nearest 1,000 lbs.

D. General

When a change in calendar month occurs enroute, such occurrence shall be indicated in the aircraft log book and pay and credit for the time flown before midnight shall be paid and credited to the month in which the pilot involved originated the flight. Midnight shall be determined on the basis of Local Time at the point of last takeoff.

SECTION 10
MISCELLANEOUS FLYING

A. Miscellaneous Flying

Pilots shall receive applicable pay in accordance with the pay differentials outlined in this Agreement on scheduled and extra section flights, and for the following non-scheduled flights: publicity, charter, contract, scenic, attempts, courtesy flights, ferries, engine, instrument, plane and radio test flights, experimental and airway aid test flights.

B. Pilots Serving in Lower Categories

When a first pilot or reserve first pilot is assigned by the Company to serve as copilot on any flight stipulated in paragraph A of this Section he shall receive first pilot rates of pay. Any regularly scheduled copilot displaced from his regular trip by such first pilot or reserve first pilot shall receive flight time pay and flight time credit on a scheduled basis for the trip or trip pairing from which he was displaced.

C. Supervisory Flying

1. When any supervisory or engineering pilot flies any flight producing revenue, the Company shall credit and pay full compensation at regular rates for such flight to the pilot or pilots who were available and who should have flown such flight. Such pilot or pilots shall post the flight time for which they were credited and paid and shall be afforded relief from duty, in the same manner and to the same extent as though they had actually flown such flight. All such flying shall be recorded with the name of the supervisor, the name of the pilot replaced, the trip number and the flying time, and two copies of such listing shall be

forwarded to the Local Domicile Chairman by the 15th day of the following month.

2. Regular supervisory flight personnel may return to line flying on a temporary basis for periods not to exceed one month in each calendar quarter of a calendar year. The Local Domicile Chairman shall be advised, in writing, of the names of such personnel prior to their return to line flying.

a. The trips flown by such supervisory personnel shall, irrespective of any other provisions of this Agreement, be selected on the basis of their own seniority or the seniority of the pilot who is to serve as their replacement during such month, whichever is the lesser.

b. For purposes of this Agreement, regular supervisory flight personnel returning temporarily to line flying shall not be deemed to be "returning to active line flying".

c. The Company will replace such supervisory pilots returning temporarily to line flying with an equal number of regular line pilots from that base station. The Local Domicile Chairman shall be advised, in writing, of the names of the line pilots replacing supervisors thirty (30) days prior to the supervisors' return to line flying.

d. Supervisory pilots returning temporarily to line flying shall, during the calendar year, alternate on the routes and equipment flown from their base station.

e. Such supervisory pilot may give up any of his regularly assigned trips, and no other supervisory pilot may relieve another supervisory pilot on temporary line flying

duty of such trip. Any trip not flown by the supervisory pilot shall be deemed to be open flying and no supervisory pilot shall be entitled to make up flying time or do any reserve flying during that month.

D. Training Pay

1. When a pilot is engaged in a training program requiring that he be relieved of his regular flying duties, he shall be paid and credited in accordance with Section 8 of this Agreement.

2. When a pilot is requested by the Company to fly an aircraft on which lesser rates of compensation are paid in order to qualify for promotion under Section 23, paragraph B.1. or Section 24, paragraph D.1., or when he is requested to accept additional equipment qualifications, he shall receive either his applicable minimum pay guarantee prorated for each day assigned to such flying, or pay for each scheduled trip on which the pilot holds a trip selection and which was missed, whichever aggregate pay is higher for that month. In the event that his actual hours multiplied by applicable rates in the lower paying equipment produces higher compensation than the trips missed on the higher paying equipment, such higher compensation shall be paid.

3. Pilots shall not receive longevity, hourly, mileage, gross weight or deadhead pay for route checks, practice flights, training flights or check flights, other than those specified in this Section. However, when a proficiency check flight is interrupted while in progress, due to the necessity to return the aircraft to the departure station or a co-terminal at the direction of Flight Dispatch, the pilot who is

required to complete such proficiency check at a later date will be paid but not credited two (2) hours at half-day, half-night rates for the interrupted proficiency check flight. Such pay shall be based on the equipment type involved in the interrupted check flight and is not subject to the applicable monthly maximum as set forth in Sections 8 C, 21 A and 24 F of this Agreement.

4. When a pilot is assigned to required ground school training which does not result in such pilot being removed from a regularly scheduled trip, such pilot shall be paid but not credited 2.50 or 2.67 hours (as applicable in accordance with his monthly maximum) at one-half day, one-half night rates based upon his equipment type monthly guarantee, for each day he was assigned to such ground school training and such pay shall not be subject to the applicable monthly maximum as set forth in Sections 8 C, 21 A and 24 F of this Agreement. Link trainer is not to be considered ground school training.

5. Flight Simulators

The provisions of all sub-paragraphs of this paragraph apply to Company required training in an electronic Flight Simulator, including proficiency checks in the Flight Simulator, ground school in connection therewith, but exclusive of transition training, upgrading and refresher training, covered in a continuous training program.

a. When a regularly scheduled pilot is removed from a trip(s) and assigned to flight simulator training, such pilot shall receive pay and flight time credit on the basis of the trips he was scheduled to fly as a result of his trip selection.

b. When any pilot is assigned to flight simulator training which does not result in such pilot being removed from a regularly scheduled trip(s), such pilot shall have one additional day of vacation added to his following year's vacation period for each day he was assigned to flight simulator training.

Example:

Scheduled vacation due—Section 13 (Dec. 1 thru Dec. 14) ..... 14 days

Flight Simulator days credit due—two (2) days. December 15th and 16th following scheduled vacation are scheduled days off. Such days shall be credited towards the two (2) days of flight simulator days credit due ..... 2 days

16 days

Same as above, except December 15th and 16th are scheduled for flying. Pilot is relieved from trips on the 15th and 16th, is paid and credited, and receives two (2) days due.

Same as first example, except December 15th is a scheduled day off and December 16th is the originating date of a trip pairing to be flown the 16th and returning the 17th. The pilot is removed from the trip pairing originating on the 16th and is paid and credited for the missed sequence of the 16th and 17th.

c. For purposes of subparagraph b. above, a flight simulator day's vacation credit shall consist of the following:

(1) Any portion of a calendar day deadheading to or from the flight simu-

lator, as indicated in the authorization contained in d. (5).

(2) Any portion of a calendar day spent in flight simulator training, including proficiency checks in the flight simulator or ground school in connection therewith.

(3) Any portion of a calendar day the pilot is available for flight simulator training at the location but he is unable to complete such training because the flight simulator is inoperative or because of the cancellation or postponement of ground school or because of the cancellation of any portion of scheduled flight simulator training.

d. General Rules

(1) Simulator training periods shall not normally exceed four (4) hours per day. (Actually connected with the simulator.).

(2) Pilots will receive at least five (5) days advance notice of simulator training except that this period may be shortened if the pilot consents.

(3) All pilots will be shown a copy of the report prepared on Simulator Training.

(4) If a pilot's performance on a proficiency check in a flight simulator is considered unsatisfactory, he shall not be prejudiced thereby, and shall have the opportunity of demonstrating his proficiency in an aircraft of the type he is currently flying. Proficiency check in an aircraft shall not be considered flight simulator training.

(5) Priority transportation will be provided over the Company's lines on trips designated by the Company.

(6) Flight Simulator time shall not be considered as flight time for any purpose. Assignment to Company required flight simulator training shall be considered time on duty only for purposes set forth in Section 21 C of this Agreement.

(7) The Link trainer is not included in the provisions of paragraph D 4 and related subparagraphs.

E. Deadhead Pay

When a pilot deadheads to or from any station for the purpose of covering any of the flights specified in paragraph A of this Section, he shall be paid and credited for such deadheading at one-half hour pay and flight time credit for each hour of such deadhead time on the type equipment covered on the basis of the scheduled flight time of the trip on which he deadheads and at first pilot or copilot rates, according to the capacity in which he serves. Deadheading at pilot's request will not be paid under this paragraph.

The above provisions covering air transportation shall apply when deadheading is by surface transportation and made in lieu of air transportation as though the deadheading were performed by air transportation. This shall not apply between co-terminals served by the same pilot base.

SECTION 11
EXPENSES AWAY FROM BASE

When pilots are away from their base stations on regular or special duty, they shall receive expenses as follows:

A. Lodging

1. Pilots when at their regular layover station shall be furnished suitable single room lodging in a suitable location.

2. Pilots when at other than their regular layover station shall receive reasonable actual expenses for lodging consistent with the lodging conditions encountered.

B. Meals

1. Pilots in flight or when away from their base station on regular assignment shall be reimbursed for meals at the following rates:

Meal	Rate	Local Time
Breakfast	$1.40	0600 to 0800
Lunch	1.65	1100 to 1300
Dinner	3.50	1700 to 1900

In addition to the above, pilots in flight shall receive a midnight meal allowance:

Midnight Meal	$1.50	2300 to 0100

There shall be added to the above meal allowance rates, ten (10) percent for tips.

2. No reimbursement shall be made for meals when regular meals are available to the pilot without charge, provided that between-meal snacks or comparable parts of meals shall, for the purpose of this Section, not be considered as regular meals.

C. Transportation

1. At points other than a pilot's base station, where ground transportation is not made available by the Company, pilots shall be allowed actual necessary expenses incurred for transportation between the airport and the hotel of regular lodging.

2. Pilots traveling under Company orders shall be furnished Company passes for the trip or reimbursement for actual transportation expense should it be necessary to use transportation other than Company aircraft.

D. General

Expenses incurred when on special duty, temporary assignment, or at other than regular layover stations shall be in accordance with Company regulations and with Company approval.

SECTION 12
MOVING EXPENSES

A. Basic Moving Expenses

1. When a pilot is moved by the Company at Company expense, the Company shall engage and compensate a reputable bonded furniture moving company with suitable equipment to move the normal personal and household effects of such pilot up to a maximum of eight thousand (8,000) pounds. Such expense shall include packing, unpacking, shipping, a maximum of $8,000 of insurance, drayage and storage of household effects for a period not to exceed sixty (60) days. When automobile transportation is used for the pilot and his immediate family, the Company shall pay mileage travel allowance for one car at six (6) cents per mile (two cars if the pilot owns two cars, at six (6) cents per mile each) for the most direct AAA mileage from point of origination to point of destination, plus toll fees in transit. While enroute the Company will allow expenses for hotel accommodations for a pilot and the dependent members of his immediate

family which shall not exceed $7.50 per day for the pilot plus $3.50 for each dependent over twelve (12) years of age and $1.00 for each dependent under twelve (12) years of age. Meals shall be allowed for the pilot and dependents over twelve (12) years of age at the rates provided in Section 11 B of this Agreement plus an additional $2.00 per day for each dependent under twelve (12) years of age.

2. In addition, pilots will be entitled to Direct Moving Expenses as set forth in AA Regulations Section 20-9 dated July 31, 1962, which shall not be made less favorable during the term of this Agreement.

3. All moving expenses shall be claimed on appropriate Company expense forms and, except for meals and automobile mileage, will be supported by receipts and shall be submitted within thirty (30) days after incurring the expense. In the event that the Company Regulations provide more liberal hotel and meal expenses than those provided in this paragraph, the greater amounts shall be allowed.

B. Moves at Company Expense

1. Assignment or transfer by Company direction.

2. Bid Pilot displacing most junior Bid Pilot in his status (Bid First Pilot or Bid Co-pilot) on the system.

3. A pilot transferring from a base station as provided in Section 25, paragraph D, sub-paragraph 3.a.

4. Bid Pilots transferring from a closed base station as provided in Section 25, paragraph E (one-half of expenses).

C. Moves at Pilot Expense

All other moving expenses shall be borne by the pilot except as provided by Company regulations and policies.

SECTION 13
VACATIONS

A. Vacation Period

Pilots shall become entitled to and receive vacation allowances with pay in accordance with the following:

1. As used herein the term year is used to mean a calendar year.

2. A pilot who, as of December 31 of any year, has had less than one (1) year of accredited service with the Company will be entitled to a vacation on the basis of one and one-sixth (1-1/6) days for each month of service.

3. As of December 31 of each year, a pilot who has had one (1) year or more of accredited service with the Company will be entitled to a vacation of two (2) weeks.

4. As of December 31 of each year, a pilot who has had ten (10) years or more of accredited service with the Company will be entitled to a vacation of three (3) weeks.

5. As of December 31 of each year a pilot who has had twenty (20) years or more of accredited service with the Company will be entitled to a vacation of twenty-six (26) days. During the calendar year in which a pilot attains twenty (20) years of service with the

Company he will be eligible for vacation in accordance with the following schedule:

20 YEARS ACCREDITED SERVICE COMPLETED BETWEEN	VACATION IN THAT CALENDAR YEAR
Jan. 1 and Feb. 28	26 Calendar Days
March 1 and April 30	25 Calendar Days
May 1 and June 30	24 Calendar Days
July 1 and August 31	23 Calendar Days
Sept. 1 and Oct. 31	22 Calendar Days
Nov. 1 and Dec. 31	21 Calendar Days

6. For purposes of computing the number of days of vacation due, fifteen (15) days or more of service in a calendar month shall be considered a full month and less than fifteen (15) days shall not be considered. Fractions of a day's vacation which equal or exceed one-half (½) shall be considered a full day, and other fractions shall not be considered.

7. A pilot shall have a minimum of forty-eight (48) consecutive hours free from all duty with the Company before he begins any vacation period.

B. Vacation Notice

1. The Company shall, on the fifteenth day of November of each year, solicit vacation period preferences for the succeeding year. A pilot shall be permitted to select and shall be awarded in order of system seniority at his base station a vacation period proffered for selection within his equipment division in the following classifications:

FIRST PILOTS

a. Bid First Pilots

b. Pilots who during the first ten (10) months of the calendar year have been paid for six (6) months or more as a first pilot.

COPILOTS

a. Bid Copilots who during the first ten (10) months of the calendar year have been paid for less than six (6) months as a first pilot.

b. Pilots who during the first ten (10) months of the calendar year have been paid for six (6) months or more as a copilot.

2. a. (1) At each base from which jet and propeller aircraft are operated, aircraft types may be grouped into not more than two (2) divisions for vacation selection and awarding purposes.

(2) At each base from which only jet aircraft are operated, jet types may be divided into not more than two (2) divisions for the purposes of improving available vacation selections.

b. A pilot shall select and be awarded a vacation in the higher paying equipment division at his base if he has selected and been awarded a flying assignment on equipment included in such division in six (6) or more of the preceding ten (10) months.

c. A pilot shall select and be awarded a vacation in the lower paying equipment division at his base if he has selected and been awarded a flying assignment on equipment included in the higher paying equipment division in less than six (6) of the preceding ten (10) months.

d. For purposes of this paragraph 13-B-2, a pilot who is denied a trip selection

under Section 24-E-1 of this Agreement shall be considered to have selected and been awarded such selection.

3. The Company shall, when possible, post the vacation assignments as indicated by the vacation period preferences of the pilots on the first day of December of each year, but not later than the fifteenth day of December of such year. Any pilot taking a vacation shall be given not less than thirty (30) days written notice in advance of the beginning date of his vacation, provided that during the months of January, February and March of any year, the Company shall give as much prior notice of vacation as is practicable, and such notice shal be not less than fifteen (15) days. When a vacation period is assigned it will not be changed except in cases of unforseeable emergency. When a pilot's vacation period is changed in accordance with the provisions of this paragraph, he shall be permitted to make a selection of another vacation period from the periods of time available within the same calendar year.

4. A pilot will be permitted to select only one vacation period during a calendar year based on seniority. A pilot eligible for more than two (2) weeks' vacation and who desires to split his vacation (no more than two parts in any calendar year) is entitled to only one selection for his split vacation periods, based upon his seniority. The remaining portion of the split vacation not selected must be taken from the remaining periods when the Company's opeations will permit. A pilot is not entitled to pay for trips missed during the forty-eight (48) hour period prior to taking the unselected portion of a split vacation.

C. Deferred Vacations

Vacations shall not be cumulative and a vacation to which a pilot becomes entitled on December 31 of any year shall be forfeited unless taken during the folowing year; provided that a pilot may be requested by the Company to forego his vacation if such request is in writing, and in such event, if the pilot has not received his vacation by the end of the year in which it is to be taken, he shall be entitled to said deferred vacation during the succeeding calendar year.

D. Effect of Leaves on Vacations

A pilot who takes a leave or leaves of absence which exceeds, or the total of which exceeds, sixty (60) calendar days during any calendar year shall have his vacation allowance to which he becomes entitled on December 31 of that year, reduced by one-tenth (1/10) for each thirty (30) days of said leave or total of such leaves is in excess of sixty (60) days. No deductions from vacation allowances shall be made for leaves of absence granted due to injury sustained while on duty; or for leaves to represent the American Airlines pilots for grievance and collective bargaining purposes. Such grievance representatives for the purpose of this paragraph shall be System Board of Adjustment members or the representatives selected by a pilot under Section 27 D.

A pilot who has completed six (6) months' accredited service with the Company and resigns (with two weeks' written notice), or is granted Military Leave of Absence, or is furloughed by the Company due to reduction in force shall receive pay at his applicable rate as of such date for all vacation accrued and unused

to the date of resignation, Military Leaves, or furlough. All vacations accrued since December 31 shall be paid on the basis of one and one-sixth (1-1/6) days for each month of service for those entitled to two (2) weeks' vacation under this Section, one and three-fourths (1¾) days for each month of service for those entitled to three (3) weeks' vacation, and two and one-sixth (2-1/6) days for each month of service for those entitled to a twenty-six (26) day vacation.

F. Recall From Furlough

A pilot furloughed and recalled to work shall accrue vacation allowance from the date of re-employment, and to be taken during the succeeding year on the basis of one and one-sixth (1-1/6) days for each month of service if he has less than ten (10) years of accredited service with the Company, one and three-fourths (1¾) days for each month of service if he has more than ten (10) but less than twenty (20) years of accredited service with the Company and two and one-sixth (2-1/6) days for each month of service if he has more than twenty (20) years of accredited service with the Company.

G. Return From Military Leave

A pilot who returns from military leave shall accrue vacation allowance from the date of return, and to be taken during the succeeding year on the basis of one and one-sixth (1-1/6) days for each month of service if he has less than ten (10) years of accredited service with the Company, one and three-fourth (1¾) days for each month of service if he has more than ten (10) but less than twenty (20) years of accredited service with the Company and two and one-sixth (2-1/6) days for each month of

service if he has more than twenty (20) years of accredited service with the Company.

SECTION 14
SICK LEAVE

A. Accrued Leave

Any sick leave accrued prior to December 31, 1961 under the sick leave provisions then in effect and which has not been used shall be included in the accumulation provided for in paragraph C of this Section.

B. Rate of Accrual

Effective January 1, 1962, a pilot shall be credited with one and one-third (1-1/3) days of sick leave for each month of service with the Company. The accumulation for each calendar year shall be available for use the following calendar year. A pilot who has completed his first six (6) months of service may use up to eight (8) days of his accumulated sick leave in the calendar year he completes his first six (6) months' service.

C. Maximum Accrual

Unused sick leave shall be cumulative up to a maximum of one hundred twenty-six (126) days.

D. Fractions

For purposes of computing sick leave accrual under this Section, fifteen (15) days or more of service in a calendar month shall be considered a full month and less than fifteen (15) days shall not be considered. If sick leave balance results in fractional days, one-half (½) day or more will be considered a full day.

E. Beginning and Termination

1. A pilot who holds a trip selection award will be charged a day of sick leave for each day of scheduled flying which he fails to perform as a result of illness or injury, and for which he receives pay in accordance with Section 8 of this Agreement.

2. A pilot who does not hold a trip selection award will be charged a day of sick leave for each day he is unavailable for duty on account of illness or injury, continuing to but not including the date he is medically cleared for duty. Such pilot will not be charged with sick leave for duty-free periods scheduled in accordance with Section 21D of this Agreement.

F. Injury on Duty

There shall be deducted from the sick leave payment provided under Section 8 of this Agreement any Weekly Indemnity Pay under Workmen's Compensation Insurance applicable to the same period of absence. A medical certificate may be required for approval of pay for any such sick leave.

During a pilots absence due to an injury compensable under the applicable Workmen's Compensation Laws, he shall have his sick leave accrual charged for each day of such absence. In the event such absence exceeds seven (7) consecutive days, such sick leave credit used shall be restored to the pilot's accrual. This provision may be exercised only once for any one injury.

G. Credit After Furlough

A pilot laid off due to reduction in force shall have sick leave accrued prior to layoff credited to him in the event of recall.

SECTION 15
SENIORITY GENERAL

A. Service with Company and other Companies

Seniority as a pilot shall be based upon the length of service as a flight deck operating crew member with the Company or with other Companies whose operations have been taken over by the Company, except as otherwise provided in Sections 19 and 20 of this Agreement.

B. Seniority Date

Seniority shall begin to accrue from the date a pilot is first assigned to air line flying duty and shall continue to accrue during such period of duty except as provided in Sections 19 and 20 of this Agreement.

C. Retention of Seniority

A pilot once having established seniority shall not lose such seniority except as provided in Section 16 of this Agreement, nor shall his relative position on the Pilots' System Seniority List be changed, except as provided in Sections 19 and 20 of this Agreement.

D. Basic Seniority Rule

Seniority shall govern all pilots in case of promotion, demotion, their retention in case of reduction in force, their recall from furlough, their assignment or reassignment due to expansion or reduction in force or schedules, and their choice of vacancies, provided that the pilot is sufficiently qualified for the conduct of the operation to which he is to be assigned. In the event a pilot is considered not to be sufficiently qualified, the Company shall promptly furnish such pilot written reasons therefor. This paragraph shall apply, provided that certain other

rules in this Agreement stipulating specific methods and procedures of applying system seniority shall govern such application of system seniority only to the extent of the specific provisions of such rules.

E. Failure to Qualify in Turn

When a junior pilot is promoted over a senior pilot, by reason of the failure of the latter to qualify in his turn, the senior pilot shall continue to retain his position on the Pilots' System Seniority List.

SECTION 16.
LOSS OF SENIORITY

A. Resignations, Discharges

A pilot who resigns from the service of the Company, or is discharged for just cause, shall forfeit all seniority as a pilot.

B. Failure to Return From Furlough

When a pilot who has been furloughed is offered, by written notice from the Company, the opportunity to return to duty as a pilot and such pilot elects, by written statement to the Company, not to return to such duty, or if a recalled pilot fails to comply with the requirements of Section 25-H of this Agreement, his seniority right of preference in reemployment shall at that time terminate, and all his seniority as a pilot shall be forfeited.

C. Duration of Reemployment Preference

At the end of five (5) years from the date of furlough, a pilot who has not been reemployed by the Company shall forfeit all his seniority and shall not be entitled to preference in reemployment.

D. Retention of Company Benefits

Upon return from furlough a pilot shall receive all Company benefits accruing by reason of his previous active service.

SECTION 17
PILOTS' SYSTEM SENIORITY LIST

A. Seniority List supplied by Company

The Company shall provide each pilot, within thirty (30) days after July 1st of each year, a Pilots' System Seniority List effective July 1, which contains the names of all pilots arranged in the order of system seniority, whether active or inactive, and the seniority date of each pilot.

B. Protests

1. A pilot shall be permitted a period of thirty (30) days after any posting of the Pilots' System Seniority List, each year, in which to protest to the Company any omission or incorrect posting affecting his seniority.

2. A pilot on leave or away from his base station at the time of posting of the list shall have a period of thirty (30) days from the date of his return to his base station during which to file such protest.

3. Any incorrect posting or any other discrepancy which went unprotested on the annual list in which it first appeared shall not be protested on any subsequent annual posting except that typographical and clerical errors may be corrected at any time.

SECTION 18
PROBATION PERIOD

A pilot shall be on probation for a period not to exceed the first twelve (12) months of his

service as a pilot with the Company, and no pilot shall be placed on probation after the first twelve (12) months of service with the Company.

SECTION 19
LEAVES OF ABSENCE

A. General

1. When the requirements of the Company will permit, a pilot may be granted a leave of absence. When such leave is granted, a pilot shall retain and shall continue to accrue seniority, provided that during such period the pilot maintains the required certificates and ratings for his status as a pilot. When the pilot permits such certificates and ratings to lapse, his seniority shall accrue only to the date of such lapse. Seniority shall not accrue for more than twelve (12) consecutive months except for leaves of absence for sickness or injury, military service, Federal Government service, and service with the Association, provided that such period of accrual may be extended with the approval of the Company and the President of the Association. Length of service for longevity pay or salary purposes shall not accrue during leaves of absence, except leaves granted in the interest of the Company, leaves to permit attendances as representatives of the pilots at conferences with the Company, leaves granted due to sickness or injury, or for duty with the military services of the United States.

2. A pilot on leave shall not, without prior written permission of the Company, engage in aviation employment, and in no case shall engage in employment, the nature of which may bring discredit upon the Company.

B. Bid Status During Leaves

1. Any pilot granted a leave of absence shall, for a period not to exceed the first twelve (12) consecutive months of such leave, have the same bid status at his former base station upon return to active flying duty, as though he had remained on active flying duty with the Company at his base station.

2. a. When a pilot is on authorized leave for more than twelve (12) consecutive months, he shall, at the expiration of such twelve (12) months forthwith lose his bid status, and the vacancy created by the loss of such bid status shall forthwith be filled in accordance with the provisions of Section 23 of this Agreement, i.e., reinstatment rights holders shall have first preference to such vacancy, and if there are no reinstatment rights holders with reinstatement rights to that base station and status, the vacancy shall forthwith be bulletined and bid as a first step vacancy.

b. When a first pilot who held Bid First Pilot status at the beginning of such leave of absence returns to active airline flying from an authorized leave of absence exceeding twelve (12) consecutive months duration, he shall be permitted to return to his former base station in the status of a Bid Copilot with first pilot reinstatement rights to that base station, beginning on the date of loss of bid status, or, he shall be permitted the additional choice of displacing the most junior Bid First Pilot on the system, at his own expense, provided that he is senior to such first pilot.

c. When a pilot who held Bid Copilot status at the beginning of such leave of absence

returns to active airline flying from an authorized leave of absence exceeding twelve (12) consecutive months duration, he shall return to active flying duty in the status of non-bid pilot and he shall be permitted to return to his former base station provided that his seniority would have merited retention of such base station had he not gone on leave of absence. When such pilot is thereby caused to be ineligible to return to his former base station he shall be extended the same rights and privileges as those extended pilots under the provisions of Section 25 D.1. of this Agreement. If he held Bid Copilot status at the beginning of such leave of absence he shall have reinstatement rights to such bid status beginning on the date of loss of such status.

d. Reinstatment rights of any of the pilots on leave of absence shall not be exercised while such pilot is on such leave of absence. Reinstatement rights of a pilot on authorized leave of absence shall run concurrently during such leave, provided that when a pilot returns to active service with the Company, any valid remaining part of his reinstatement rights shall be in full force and effect.

C. Sickness or Injury

1. When leaves are granted on account of sickness or injury, a pilot shall retain and continue to accrue his seniority irrespective of whether or not he is able to maintain his required certificates or ratings, until he is able to return to duty or is found to be unfit for such duty, except that in no case shall leave for sickness or injury exceed a total continuous period of three (3) years. Length of service for longevity pay or salary purposes shall

accrue during leaves granted because of injury on duty, and during the first ninety (90) days of any leave granted for sickness or injury sustained off duty, provided any extension beyond three (3) years shall be by mutual consent of the Company and the Association and shall not exceed the total of an additional two (2) years.

2. A pilot returning from any leave occasioned by sickness or injury shall be permitted to return to his former base station and shall have the same status on return to active flying duty as though he had remained on active flying duty with the Company at his base station.

D. Military Service

1. A pilot ordered to, or who volunteers, for active duty with the military services of the United States in time of war shall be granted a leave of absence for the period of such duty and for ninety (90) days thereafter, during which time his seniority and length of service for pay purposes shall accrue.

2. A pilot who volunteers and is accepted for duty with the military services of the United States in time of peace shall, subject to the requirements of the Company, be granted a leave of absence for the period of such duty, but not to exceed ninety (90) days in any one (1) calendar year, during which time his seniority and length of service for pay purposes shall accrue.

3. A pilot returning from any military leave of absence shall be permitted to return to his former base station and shall have the same status on return to active flying as though he had remained on active flying duty with the Company at his base station.

E. Duty with the Association

1. When a pilot is selected or employed by the Association on a full time basis, he shall be granted a leave of absence for the duration of such tour of duty, which shall not exceed two (2) consecutive years, provided that the number of such pilots on such leave shall not at any time exceed two (2) in number. A similar consecutive leave of the same duration shall be granted by the Company, provided such leave is agreed to by the Company and the Association, and provided further that such pilot returns to the employment of the Company as a pilot for one month prior to the beginning of such second two-year leave. When a pilot is granted any such leaves of absence, he shall continue to accrue seniority, provided that length of service for pay purposes shall not accrue during such leave. A pilot returning to active service with the Company from a full time tour of duty with the Association shall be accorded the same rights and privileges as those accorded to supervisory personnel returning to line flying as stipulated in paragraph C, Section 20 of this Agreement.

F. Physical Fitness

Any dispute arising under this Section concerning physical fitness of any pilot shall be settled in accordance with the provisions of Section 26 of this Agreement.

G. Furlough While on Leave

A pilot on leave of absence whose seniority is such that he would have been furloughed had be not been on leave of absence shall be promptly notified that his rights under the Agreement have been changed to those of a furloughed pilot. If

there is a subsequent expansion in service, such pilot, if his seniority warrants, shall again revert to leave of absence status with accompanying rights and he shall be so notified.

SECTION 20
TRANSFER TO SUPERVISORY OR OTHER DUTY

A. Retention of Seniority

A pilot transferred to supervisory or other duty with the Company shall retain and continue to accrue seniority, provided that such pilot maintains at all times his required certificate or ratings. If such pilot shall permit his required certificate or ratings to lapse, he shall retain his seniority accrued at the time of such lapse and shall have a period not to exceed one (1) year in which to regain such required certificate and ratings. If he does so regain such required certificate and ratings within one (1) year, his seniority shall recommence to accrue from the date such certificates and ratings are so regained.

B. Retention of Seniority — Sickness, Injury

When a pilot is transferred to supervisory or other duty with the Company, because of sickness or injury, or becomes sick or injured while on such supervisory or other duty with the Company, he shall retain and continue to accrue seniority during such period of sickness or injury, not to exceed three years, irrespective of whether or not he is able to maintain his required certificate or ratings, provided, any extension beyond three (3) years shall be by mutual consent of the Company and the Association and shall not exceed the total of an additional two (2) years.

C. Rights on Return to Active Line Flying

1. When a pilot engaged in supervisory duty returns to active air line flying in two (2) years or less from the time he was assigned to such supervisory duty, he shall return to his former base station and his status shall be the same as though he had remained at his base station and had not served in a supervisory capacity. When the base station at which such pilot served prior to assignment to supervisory duty has, during the period of such duty, been deactivated, or all first pilot bidholders at the former base station are senior to such returning pilot, the returning pilot shall be permitted to displace the lowest ranking pilot in his status on the system, provided he is senior to such pilot.

2. When a pilot returns to active air line flying after serving in a supervisory capacity for more than two (2) consecutive years, he shall be permitted to resume the bid status he held at the time of assignment to such duty, and to return to his former base station in accordance with the provisions of subparagraph 1 of this paragraph C, or he may displace the most junior pilot in his status, provided he is senior to such pilot, at the base station at which he last served in a supervisory capacity for more than two (2) consecutive years, provided he could have successfully bid a vacancy at that base at any date subsequent to two (2) years after he was assigned to supervisory duty at such base. This is to apply on a one supervisor for one bid vacancy basis on the basis of system seniority as between supervisors, if more than one. When, due to the deactivation of base stations, the returning pilot is unable to exercise either of these prerogatives, he may then be permitted to displace the most

junior pilot in his status at any base station on the system, provided he is senior to such pilot.

3. The Company shall make every reasonable effort to assign the pilot replacing any pilot returning from supervisory duty from the base station to which such pilot returns.

4. Irrespective of any of the provisions of this Section, a pilot returning from other duty with the Company, other than supervisory duty, or a pilot returning from any engineering flying assignment, shall be governed by the provisions of Paragraph B of Section 19 of this Agreement.

5. When a pilot is on supervisory or other duty with the Company for more than twelve (12) consecutive months, he shall, at the expiration of such twelve (12) months, forthwith lose his bid status and the vacancy created by the loss of such bid status shall forthwith be filled in accordance with the provisions of Section 23 of this Agreement. Such bid status shall be regained upon return to active flying duty in accordance with the provisions of subparagraphs 1 and 2 of this paragraph C.

D. Seniority Rights After Return

After an air line pilot engaged in supervisory or other duty has returned to air line flying duty and has filled the air line flying position to which he is hereunder entitled, he shall thereafter be governed by the same seniority provisions as apply to regular air line pilots.

E. Length of Service

Length of service for pay purposes shall accrue during assignments to supervisory or other duty.

F. Physical Fitness Disputes

Any disputes arising under this Section concerning the physical fitness of such pilot shall be settled in accordance with Section 26 of this Agreement.

G. Furlough While on Supervisory or Other Duty

A pilot transferred to supervisory or other duty with the Company whose seniority is such that he would have been furloughed had he not been transferred shall be promptly notified that his rights under the Agreement have been changed to those of a furloughed pilot. If there is a subsequent expansion in service, such pilot, if his seniority warrants, shall be removed from furlough status and his former rights restored, and he shall be so notified.

SECTION 21
HOURS OF SERVICE

A. Flight Time Limitations*

1. Eighty (80) credited hours shall constitute the monthly maximum for pilots of propeller type aircraft and seventy-five (75) credited hours shall constitute the monthly maximum for pilots of turbojet aircraft. For determining compliance with the applicable monthly maximum, schedule or actual, whichever is greater on a leg-by-leg basis (block-to-block) plus credited time as provided elsewhere in this Agreement shall be used.

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*All Sections designated with an asterisk are to be subject to separate provisions governing effective dates.

2. For purposes of compliance with the applicable monthly maximum, a pilot will be considered legal to fly his last scheduled trip or trip pairing of the month, if, prior to departure from his home base station on such last trip or trip pairing, his previous total credited flight time for the month, when added to the scheduled flight time of such last trip or trip pairing within the calendar month, including applicable credits provided under Sections 21 E or 21 F of this Agreement, produces a total which does not exceed his applicable monthly maximum. Having once embarked on such last trip or trip pairing such pilot will be considered legal to fly and complete his scheduled assignment whether or not such flying will cause him to exceed his applicable monthly maximum, provided, however, such pilot will not be rescheduled or assigned any other trip or trip pairing (except deadheading) which will cause him to exceed his applicable monthly maximum.

3. When a pilot has been on duty aloft in excess of eight (8) hours in any consecutive twenty-four (24) hours, he shall, upon completion of his assigned flight, or series of flights, be given at least sixteen (16) hours for rest before being assigned any further duty with the Company.

4. A pilot shall not be scheduled for duty aloft for more than eight (8) hours during any twenty-four (24) consecutive hours, unless he is given an intervening rest period at or before the termination of eight (8) scheduled hours of duty aloft. Such rest period shall equal twice the number of hours aloft since the last preceding rest period, and in no case shall the rest period be less than eight (8) hours.

5. No pilot shall be assigned any duty with the Company during any rest period.

6. Duty aloft includes the entire period during which a pilot is assigned as a member of an airplane crew during flight time.

7. Scheduled for duty aloft means the assignment of a pilot on the basis of the flight time established in the operations schedules rather than actual flight time.

8. Flight time is the time from the moment the airplane first moves for the purpose of flight until it comes to rest at the next point of landing (block-to-block time), provided, however, that when the captain elects to delay starting engines due to quoted takeoff delays, flight time will, at the option of the captain, be considered to begin at the time the aircraft would normally have departed.

B. Notification

1. The Company shall maintain a standard method of notifying pilots of the scheduled departure time of their trips. When the scheduled departure time is appreciably delayed, pilots shall be notified as far in advance as is practicable, consistent with the circumstances. At originating stations, every effort shall be made to promptly notify pilots of any cancellation, delay or deferment of their trips.

2. The Company shall post projected crew assignments on all regularly scheduled trips not less than five (5) days in advance of the departure of such trips, except when such postings are prevented by circumstances beyond the control of the Company. Such postings shall be made available to the pilots for initialing. During his debriefing period, a pilot shall

initial his next scheduled trip assignment and such initialing shall be deemed to be notification of such trip assignment. In any event all pilots shall be furnished with adequate notification of the departure time of their trips. A pilot on a regularly scheduled sequence of trips shall not be removed from such sequence except in cases of irregularity of scheduled operations or unforeseen contingencies, which necessitate such removal.

3. No pilot shall be required to keep the Company advised of his whereabouts on his days off, while on vacation or while on layover.

4. It shall be the responsibility of a pilot who is unable to report for duty to notify, as far in advance as possible, the controlling Manager — Flight or his designated representative of this fact, giving the reason for his inability to report for duty.

5. This Agreement contemplates that pilots shall devote their entire professional flying service to the Company, except that nothing in this Agreement shall be construed to prevent any pilot from affiliating with the Military Services of the United States.

C. On-Duty Time*

1. Monthly flying assignments offered to pilots for selection shall not contain a trip or trip pairing which involves more than twelve and one-half (12½) hours of scheduled on-duty time, as defined in C.3.a. below.

2. No pilot shall be scheduled or rescheduled to remain on duty in excess of thirteen (13) consecutive hours during any on-duty period as defined in paragraph C.3.a. of this Section and in no case shall a pilot be required to re-

main on duty in excess of fourteen (14) consecutive hours during any on-duty period as defined in paragraph C.3.b. of this Section.

3. a. A pilot's scheduled or rescheduled on-duty period shall commence one (1) hour prior to the scheduled or rescheduled departure time and shall continue until fifteen (15) minutes after the scheduled arrival time at the conclusion of his day's flight assignment. Such scheduled or rescheduled on-duty period shall run continuously unless broken by a scheduled or rescheduled rest period normally of not less than ten (10) hours. If other requirements of this Agreement necessitate a longer rest period, such provisions will govern.

b. In actual operations, an on-duty period shall commence at the required reporting time, but in any event not less than one (1) hour before departure and shall run continuously unless broken by a rest period of eight (8) hours where sleeping accommodations are provided at or near the airport; or ten (10) hours in case of relief from duty where accommodations are not provided at or near the airport. In any case, the pilot will be provided not less than eight (8) hours plus normal roundtrip travel time to the rest facility. In no case will the off-duty period be less than ten (10) hours at the pilot's home base station.

One (1) hour reporting time and fifteen (15) minutes debriefing time will be required and are to be considered a part of all on-duty periods.

c. If termination at the pilot's home base station is at a co-terminal other than his original point of departure, there shall be

added one (1) hour to the on-duty period for the purpose of allowing for the use of Company furnished transportation as set forth in Section 30 I of this Agreement. However, this hour shall not be construed to be a part of the on-duty period as specified in C.3.a. and C.3.b. above.

d. A pilot engaged in deadheading shall be deemed to be on duty, provided that the Company may approve such pilot's request to exceed fourteen (14) consecutive hours on duty for the purpose of deadheading to his home base station.

D. Off-Duty Time*

1. Each pilot shall receive not less than five (5) separate periods of forty-eight (48) consecutive hours free from all duty with the Company at his home base station during each calendar month. However, at the option of the Company, one of the said forty-eight's (48's) may be:

(a) combined with another forty-eight (48) to produce a duty-free period of ninety-six (96) consecutive hours, or

(b) split into two (2) separate duty-free periods of twenty-four (24) consecutive hours each, or

(c) split into two (2) twenty-four's (24's), each of which is combined with a forty-eight (48) to produce two (2) duty-free periods of seventy-two (72) consecutive hours, or

(d) split into two (2) twenty-four's (24's), one of which is combined with a forty-eight (48) to produce a duty free period of seventy-two (72) consecutive hours, and the other scheduled separately.

Such scheduled duty-free periods shall be pre-planned and indicated on the monthly selection sheet and shall be separated by not less than twenty-four (24) hours.

2. a. Any regular scheduled pilot may request a change in any scheduled duty-free period by giving the Company twenty-four (24) hours notice prior to the beginning of the duty-free period to be changed. The Company may change a regular scheduled pilot's scheduled duty-free period only if it is necessary for the purpose of keeping the airline in operation.

b. Any reserve pilot may change, or the Company may require him to change any scheduled duty-free period prospectively, but only in the event that such reserve pilot is scheduled to fly a trip that is scheduled to terminate at his home base station no later than 1200 Local Time on the first day of the duty-free period involved. A reserve pilot who flies into such first day shall have his required off-duty break and then commence a duty-free period equal to that for which he was originally scheduled.

c. In no case shall any pilot's scheduled duty-free period be changed retroactively.

3. A pilot who is temporarily assigned to a base station other than his home base station for purposes other than training will be entitled to scheduled duty-free periods in accordance with paragraphs 1. and 2. above, except that such scheduled duty-free periods as are normal to the trip selection or reserve flying assignment to which he is assigned will be taken at the base of temporary assignment. Such pilot shall be given priority pass privileges to his home base station to be used at

his option during any scheduled duty-free period of forty-eight (48) hours or more taken at the base of temporary assignment.

4. a. Notwithstanding the provisions of paragraph 1. and 2. above, a pilot who is assigned to a training program involving five (5) or more days of training shall be given one (1) period of forty-eight (48) consecutive hours free from all duty with the Company at the base station at which he is undergoing training, following each five (5) consecutive days of such training. Such pilot shall be given priority pass privileges to his home base station to be used at his option during any such duty-free period.

b. Following the last five (5) consecutive days of such training, in lieu of a scheduled duty-free forty-eight (48) hour period, the pilot shall be given two (2) calendar days free from all duty with the Company at his home base station, prior to resuming line flying duties.

c. In no case shall a pilot have less than twenty-four (24) hours free from all duty with the Company at his home base station prior to resuming line flying duties after the conclusion of such training program.

d. In no case shall a pilot receive less than four (4) separate periods of forty-eight (48) consecutive hours free from all duty with the Company, one (1) of which must be at his home base station, during any calendar month in which he is involved in such training program.

e. Notwithstanding the provisions of 4.a. above, the Company may, at its option, defer a pilot's scheduled duty-free periods while

he is assigned to such training program. To the extent that such scheduled duty-free periods are deferred, the pilot, upon completion of such training shall be given two (2) calendar days free from all duty with the Company at his home base station, for each five (5) consecutive days spent in such training.

f. When the provisions of this Section 21 D.4. impose duty free requirements which delay a pilot's return to line flying, such pilot shall continue to receive training pay and credit in accordance with Section 10, paragraph D.1. of this Agreement until the completion of such duty-free periods.

E. Minimum Pay Credit*

1. A pilot who reports for any flight duty period (including deadheading) shall receive the greatest of the folowing:

(a) Flight time pay and flight time credit actually earned.

(b) Minimum of four (4) hours flight time pay and flight time credit.

(c) One (1) minute flight time pay and flight time credit for each two (2) minutes of a scheduled or rescheduled on-duty period as set forth in paragraph C.3.a. of this Section.

(d) One (1) minute flight time pay and flight time credit for each two (2) minutes of an actual on-duty period as set forth in paragraph C.3.b. of this Section.

The difference between flight time pay and flight time credit earned during such on-duty period and the minimum flight time pay and flight time credit provided above shall

be computed as an extension of the trip which brings the pilot to a station for an off-duty break as set forth in paragraphs C.3.a. and C.3.b. of this Section.

2. Nothwithstanding the provisions of paragraph G.1. of this Section, the provisions of E.1. above shall apply, except that the minimum set forth in paragraph E.1.(b) above shall be two (2) hours flight time pay and flight time credit if:

(a) a return to the airport of departure is required after takeoff by a mechanical air interruption, provided that the pilot does no other flying or deadheading during the same on-duty period, or

(b) a pilot performs or reports to perform ferry flying between co-terminals, or

(c) a pilot performs or reports to perform flying as set forth below, when such flying is confined to a single airport or co-terminals:

(1) engine, instrument, plane, and radio test flights.

(2) Experimental and airway aid test flights, or

(d) a pilot performs or reports to perform flying as set forth below, when such flying is confined to a single airport:

(1) charter, contract or scenic.

(2) courtesy or publicity.

When no flying is performed unde E.2.(b), E.2.(c) or E. 2.(d) above, flight time pay and flight time credit shall be based on the equipment type involved in the assignment for which the pilot was required to report, at half-day, half-night rates.

F. Time Away From Home*

1. A pilot who reports for any flight duty (including deadheading) which involves two (2) or more on-duty periods broken by at least one (1) off-duty period away from such pilot's home base station, shall receive the greater of the following:

(a) one (1) minute pay and flight time credit for each three and one-half (3½) minutes of scheduled or rescheduled time away from his home base station;

(b) one (1) minute pay and flight time credit for each three and one-half (3½) minutes of actual time away from his home base station.

The difference between flight time pay and flight time credit earned during such period of time away from home and the minimum flight time pay and flight time credit provided above shall be computed as an extension of the trip which brings the pilot back to his home base station for legal rest.

2. For purposes of paragraph F.1. above, on-duty periods and off-duty periods shall be as set forth in paragraphs C.3.a. and C.3.b. of this Section.

G. Application of Minimum Flight Time Pay and Flight Time Credit

1. The minimum flight time pay and flight time credit provided under E.1. and F.1. this Section shall not be applicable when a pilot reports for duty but completes no takeoff or does no deadheading.

2. Deadheading covered under the provisions of E.1. and F.1. of this Section shall include:

(a) all deadheading by Company assignment, except in connection with route checks;

(b) deadheading at the pilot's request to pick up the next trip in his sequence when such action does not trigger a double deadhead;

(c) deadheading at the pilot's request as set forth in paragraph C.3.(d) of this Section. Duty time spent in the accomplishment of such deadheading shall be considered an extension of the pilot's on-duty period.

Except as noted above, deadheading at the pilot's request shall not be covered under the provisions of E.1. and F.1. of this Section.

3. For purposes of E.1.(c) and F.1.(a) of this Section, the rescheduled on-duty period shall apply whenever a pilot has been rescheduled as set forth in G.4. below.

4. A pilot is considered to be rescheduled any time there is a change or cancellation in such pilot's flying assignment, including deadheading.

5. The provisions of E.1. and F.1. of this Section shall not be applicable to excess duty hours or excess time away from home resulting from the pilot's request to be rescheduled to deadhead on a flight other than that for which he is legally scheduled or rescheduled by the Company.

6. The provisions of E.1.(b), E.1.(c) and F.1.(a) of this Section shall apply, under Sections 8, 10 B, 10 C, 10-D-2 and 24 E of this Agreement, to pilots who hold trip selection awards.

7. Comuptation of flight time pay and flight time credit applicable under Section 24 F of

this Agreement shall include all flight time pay and flight time credit due under the provisions of Section 21 E and 21 F.

8. When a pilot's arrival at his home base station or scheduled layover station is by way of surface transportation, his arrival time, for purposes of C.2., C.3., E.1. and F.1. of this Section, shall be considered to be the scheduled departure time of the surface transportation to be used plus the normal air time and debriefing time.

In this case, an off-duty period under C.3.(b) of this Section shall start at the scheduled arrival time of the surface transportation used.

9. When a pilot performs or reports to perform flying set forth in E.2.(b), E.2.(c) and E.2.(d) of this Section, before, during or after an on-duty period involving flying not covered under E.2.(b), E.2.(c) or E.2.(d), or while on layover involving an off-duty break between such on-duty periods, he shall receive:

(a) flight time pay and flight time credit in accordance with E.1. or F.1. of this Section, as applicable, for the on-duty periods not involving flying covered under E.2.(b), E.2.(c) or E.2.(d), plus,

(b) one (1) minute flight time pay and flight time credit for each two (2) minutes of actual on-duty time for the period involving flying covered under E.2.(b), E.2.(c), or E.2.(d), but not less than the flight time pay and flight time credit actually earned and in any event not less than two (2) hours' minimum flight time pay and flight time credit.

H. Maximum Flight Time Pay and Flight Time Credit

1. Except as set forth in G.9. of this Section, flight time pay and flight time credits provided in paragraph E and paragraph F of this Section are not cumulative, but only the greater will apply.

2. A pilot shall be entitled to only the flight time pay and flight time credit for scheduled or rescheduled time away from home, as provided in F.1. of this Section, when the pilot's return to his home base station is delayed by a strike or work stoppage which substantially affects the operation of the Company, provided, if the pilot is returned to his home base station by the Company, in this specific case the return deadhead transportation to the pilot's home base station is called "pilot's convenience", and no reschedule is involved.

3. The provisions of F.1. of this Section shall not apply beyond the first twenty-four (24) hours of excess time away from home resulting from the delay in a pilot's return to his home base station due to an official NOTAM which closes, for a period of twenty-four (24) hours or more, the airport at which such pilot is laying over or at which such pilot is forced to lay over as the result of such airport closing, provided that such pilot is assigned by the Company to deadhead to his home base station via the first available deadhead transportation. In this instance, excess time away from home shall be the difference between the time such pilot actually arrives at his home base station and the time he would have arrived had there been no airport closing.

In the circumstances set forth above, when such pilot is assigned by the Company to re-

main at the layover station, the normal provisions of E.1. and F.1. of this Section shall be applicable.

I. Scheduled Trip or Trip Pairing(s)

A scheduled trip or trip pairing(s) as used in this Section shall be that established by the Company in a regular publication prepared in conjunction with each re-selection of pilot flying assignments or extra section established by the Company. Such publication shall be available for inspection by all pilots on Company premises. It is also a pairing or re-pairing of any flying assignment prepared by crew schedule or flight dispatch.

SECTION 22
CERTIFICATES AND RATINGS

A. Eligibility for Certificates and Ratings

Any copilot has been in the service of the Company for an aggregate of sixty (60) months as a copilot shall receive training for an Airline Transport Pilot Certificate and equipment rating necessary for advancement to the status of Reserve First Pilot on at least one type of airplane currently operated by the Company in regular schedule. To establish eligiblity for such certificates and ratings, such copilot may be required to have had one hundred (100) hours of flying as a copilot on the type airplane on which he is to be qualified within sixty (60) days prior to checkout for such certificates. The opportunity to receive such certificates and ratings shall be afforded during January, February, and March of each year, provided the Company may in addition thereto afford the opportunity to receive such certificates and ratings at other periods through the year, or to copilots with a

lesser length of service. In the latter case, copilots with a lesser length of service shall be grouped in accordance with system seniority and such groups shall be afforded, in accordance therewith, the opportunity to acquire such certificates and ratings. A copilot who has been afforded the opportunity and who has received such certificates and ratings will be designated by the Company as an "ATPC Pilot."

B. Qualifying Out of Order of Seniority

A copilot who has been given the opportunity to qualify for advancement in status, or promotion to Reserve First Pilot, and is unable to so qualify at that time, shall not hold up the promotion of other copilots junior to him provided that copilots unable to so qualify shall be governed by the provisions of Section 15 C of this Agreement.

SECTION 23
FILLING OF BID PILOT VACANCIES

A. Bidding Procedure

All pilot bid vacancies shall be filled promptly by bulletined bidding, and assignment procedure, and exercise of reinstatement rights, in accordance with the following provisions:

1. All pilot vacancies, as determined in accordance with paragraphs L and M of this Section, to which no pilot has a prior claim shall be bulletined and shall be filled in accordance with the three-step bidding procedure and resultant assignment procedure provisions in this Section, in that order of sequence as provided hereinafter.

a. (First Step) All first step vacancy or vacancies shall be bulletined and awarded in

accordance with the procedure stipulated in this Section. A first step vacancy is any vacancy to which no pilot has a prior claim.

b. (Second Step) All vacancies created by pilots who are successful bidders under the first step bidding procedure stipulated in subparagraph 1 a. of this paragraph shall be bulletined and filled precisely the same as such first step vacancies, provided that any successful bidder under this subparagraph shall not be awarded the bid finally until the successful bidder resulting from the operation of subparagraph 1 a. of this paragraph has been placed on regularly scheduled flying for the vacancy for which he was the successful bidder.

c. (Third Step) All vacancies created by pilots who are successful bidders under the second step bidding procedure stipulated in subparagraph 1 b. of this paragraph shall be bulletined and filled precisely the same as such second step vacancies, provided that any successful bidder under this subparagraph shall not be awarded the bid finally until the successful bidder resulting from the operation of subparagraph 1 b. of this paragraph has been placed on regularly scheduled flying for the vacancy for which he was the successful bidder.

d. All vacanies created by the operation of subparagraphs numbered 1-a, 1-b and 1-c of this paragraph shall be filled by assignment as stipulated in paragraph B of this Section.

B. Assignment of Bids

1. When the first three steps of the bidding procedure defined in paragraph A of this Section have been completed and any first pilot vacancy or vacanies have been created and exist

at any base station or stations as a result thereof, the Company shall then promptly fill such first pilot vacancy or vacanies from the ranks of the reserve pilots and ATPC pilots at the base station at which the vacancy or vacancies exist in the order of system seniority at such base station.

2. When the first three steps of the bidding procedure defined in paragraph A of this Section have been completed and any copilot vacancy or vacancies have been created and exist at any base station or stations as a result thereof, the Company shall then promptly fill such copilot vacancy or vacanies from the ranks of non-bid pilots, at the base station or stations at which such vacancy or vacanies exist in the order of system seniority at such base station.

3. All pilots assigned to bid status at a base station in accordance with the provisions of this paragraph shall be deemed to be regular bidholders at such base station.

C. Description of Vacancies

1. All bulletins describing a pilot vacancy or vacanies shall be posted prominently at all stations where pilots are based, and shall include the following information:

a. The base station or stations at which the vacancy or vacanies exist.

b. The number of vacanies to be filled.

c. The type or types of equipment that will be operated and the route or routes that will be flown, from the base station or stations where the vacancy or vacanies exist, at the time such vacancy or vacanies are scheduled to be filled.

d. The highest and lowest system seniority numbers of the pilots in all pilot statuses at the base station, when such bulletin is posted.

e. A brief, clear description of the cause or causes that occasioned the vacancy or vacancies, i.e., new flying time, resignation, vacated bids, etc.

f. A deadline date after which bids will not be accepted, provided that such date shall be not less than ten (10) calendar days after the posting of a vacancy bulletin on the bulletin boards at any pilot base station.

All bids shall be submitted by U.S. Mail or by telegram so as to arrive not later than the deadline date.

2. All bulletins describing a pilot vacancy or vacancies posted on bulletin boards shall remain posted until they are replaced thereon by a notice containing the names of the successful bidder or bidders for the vacancy or vacancies bulletined. The successful bidder or bidders shall be notified promptly thereof by Telegram or Registered Air Mail letter, return receipt requested, after the closing date of bids for any vacancy.

D. Bidding for New Bases

Pilots bidding for vacancies on new or reactivated base stations shall be permitted to qualify their bids by indicating their seniority position thereon that will be acceptable to them at that base station as a condition of their acceptance of such bid award.

E. Withdrawal of Bids

Pilots who bid for bulletined vacancies may withdraw such bids by telegram at any time prior

to the deadline date stipulated on the posted bulletin.

F. Acceptance of Bids

All successful bidders on pilot vacancies, bid, published, and awarded in accordance with the provisions of this Section, shall forthwith accept the award resulting therefrom.

G. Reporting of Successful Bidders

1. A pilot receiving a base station award as a result of the bidding procedures specified in this Section, when such award involves transferring from one base station to another, shall normally be given a period of not less than fifteen (15) days to report to his new base station from the date of U.S. postmark of his notice by Air Mail Letter or date of transmission of telegram from the Company that he is a successful bidder, or that he has received such base station award.

2. A pilot who receives a base station award as a result of the bidding procedures specified in this Section, and who is required by the Company to report to another base station in less than fifteen (15) days shall be afforded reasonable time off at a later date, not to exceed fifteen (15) days, at the time of his household move, to facilitate completing his moving arrangements. The pilot's schedule will be so arranged at his new base station as to minimize insofar as is possible, loss of flying time during such reasonable time off in which moving arrangements are being completed.

3. A pilot required to report to another base station in less than fifteen (15) days under the provisions of this paragraph shall be allowed actual reasonable expenses for himself only at

his new base station for the number of days equivalent to the difference between the standard fifteen (15) day reporting date and the number of days prior to such time during which he was actually required to report. Where Company Regulations or any provision in this Agreement provides additional moving expenses for specific moves, such expenses shall be in addition to, but not in duplication of, the expense provisions of this paragraph.

H. Qualification of Successful Bidder

When a successful bidder fails to qualify within thirty (30) days from the effective date of bid, subject to weather, equipment availability, or extent of qualification requirements, to fill the vacancy for which he has been the successful bidder, he shall forthwith return to his former base station and bid status at his own expense. The vacancy that he failed to fill by failure to qualify over routes or on equipment shall then be proffered promptly to the next highest bidders, in the order of system seniority, on the list of bidders for that vacancy.

I. Mutual Transfers

Mutual transfers of base stations between any pilots, irrespective of status, shall not be permitted.

J. Awarding of Bids

The senior pilot bidding who is a successful bidder, or the pilot receiving a vacancy under the operation of subparagraphs B-1 and B-2 of this Section, shall be awarded the vacancy, provided that when such pilot does not have the required route qualifications, equipment qualifications, or ratings, he shall be afforded the opportunity by the Company to acquire such qualifications and ratings within a reasonable period of time.

K. Reinstatment Rights

1. Reinstatement rights of a pilot mean a pilot has the right to return to his former base station and status within two (2) years after the date of the involuntary loss by him of his last bid status held at a base station. Any pilot vacancy or vacancies, except vacancies created by reason of death, retirement, resignation, or permanent physical disability, shall be filled by the pilots, other than pilots on furlough, who hold valid reinstatement rights to the base station or stations where such vacancy or vacancies exist, in accordance with the relative system seniority of such reinstatement rights holders to each base station, and such pilots shall then be deemed to be bidholders in the same manner and to the same extent as though they were successful bidders for such vacancy or vacancies. Any vacancy or vacancies created by reason of death, retirement, resignation, or permanent physical disability shall not be filled by reinstatement rights holders, and for purposes of this Section, such vacancies shall be deemed to be first step vacancies, and shall be bulletined and filled in accordance with the provisions of this Section.

2. Any reinstatement rights holders who achieve bid status as a result of a successful bid, or otherwise in accordance with the provisions of this Agreement, shall forfeit all reinstatement rights held at the time and prior to the attainment of such bid status. No pilot may hold reinsatement rights to more than one base station and in more than one pilot status at any one time, except that a pilot who holds bid status or reinstatement rights in one pilot category may, in addition thereto, hold current

reinstatement rights in a higher pilot category to the same base station at which such bid or reinstatement rights are held.

L. First Pilot Bid Vacancies

The number of first pilot bid vacancies to be bulletined and awarded at a base station shall be determined by dividing the total monthly (30-day) scheduled flight time plus scheduled credited time assigned to a base station by the applicable monthly maximum (75 or 80 hours) and the resultant number will be the number of first pilot bid vacancies that would be bulletined and awarded at a base station, and any remaining fraction equal to or greater than sixty (60) hours of monthly flight time will be deemed to be an additional bid and shall be so bulletined.

M. Copilot

The number of copilot bid vacancies to be bulletined and awarded at a base station shall be equal to the number of first pilot bid vacancies determined in accordance with paragraph L of this Section.

N. Reserve Flying

1. The Company shall maintain reserve first pilots and reserve copilots at each base station to provide reasonable working conditions for the pilots at each base station.

2. The minimum number of reserve pilots in each pilot category at each base station in each equipment division shall be determined as follows:

a. The total monthly hours (scheduled flight time plus scheduled credited time) divided by the applicable monthly maximum (75 or 80 hours) divided by ten (10) shall

produce a fixed number of reserve pilots in each category to which shall be added one (1) reserve pilot in such category for any remaining fraction of one half (½) or more.

b. When the division requirement in a. above is 0, 1, 2, 3 or 4, add two additional reserves; 5, 6, 7, 8, 9 or 10, add three additional reserves; 11, 12 or 13, add four additional reserves; 14, 15 or 16, add five additional reserves; 17, 18 or 19, add six additional reserves.

3. The minimum number of reserve pilots in each pilot category and equipment subdivision at each base station shall be determined by prorating the reserve pilots determined under 2 above in accordance with the total monthly hours in each equipment subdivision at such base station. The remaining number of reserves are to be posted in the higher paying equipment subdivision(s).

4. When one or more pilots is moved during a calendar month from the propeller equipment division to the jet equipment division, there shall be added to the minimum required in 2.b. above for the following month, one (1) additional reserve. This new fixed division reserve requirement will be increased by one (1) in each succeeding month in which one or more pilots is moved from the propeller equipment division to the jet equipment division. If there is no movement between divisions during a calendar month, the minimum requirement for 2.b. above may be reached by reducing the requirement by one (1) reserve each calendar month. Effective with the seventh (7th) calendar month following the effective date of this Agreement, the provisions of this paragraph 4 shall not be applicable in any month if in six (6) months

preceding such month no pilot at the base has been moved from the propeller division to the jet division during a calendar month.

5. Nothing in this paragraph shall be deemed to prevent the Company from increasing the number of reserve pilots above the ratio stated herein, or from assigning or designating additional reserve pilots at any base station, in accordance with all the provisions of this Agreement relating to such assignments or designations.

O. Pilot Status Listing

The Company shall publish a list each month on which shall appear the names and statuses of all of the pilots in the employ of the Company and the base stations at which they are currently domiciled. Such list shall include bid status of pilots, their seniority numbers, valid reinstatement rights, the duration thereof, and the base stations at which such bid status and reinstatement rights are held. Three current copies of such list shall be distributed monthly to the Base Crew Schedule offices at each base station where pilots are domiciled, and one additional current copy of such list shall be inserted in the Bulletin Books at all pilot base stations, and one current copy shall be furnished to the Chairman and Vice Chairman of each Local Pilot Domicile and the Association President. Such lists shall be made available at all times for the examination of the pilots, provided that no such list shall be removed from the Company property.

P. General

1. All pilots, regardless of bid status, may bid any pilot bid vacancy.

2. Irrespective of any of the provisions of this Agreement, successful bidders to a new or reactivated base station who lose bid status

within six (6) months of the activation of such base station, causing any of such successful bidders to transfer from the base station within the aforementioned six (6) months, shall have moving expenses to and from such new or reactivated base station paid by the Company.

3. When extraordinary circumstances arise involving extreme personal hardship and necessitating the transfer of a pilot to another base station, such pilot may be permitted to transfer to such other base station in non-bid status with the forfeiture of all of his reinstatement rights to his former base station and forfeiture of bid status, if any. Such pilot shall, irrespective of his system seniority and former status, revert to the most junior non-bid pilot position at the base station to which he transfers and shall be permitted to exercise his seniority at that base station only with respect to pilots added to that base station in non-bid status subsequent to his transfer. In the event that there is any curtailment of pilots at the base station, the transferring pilot shall, irrespective of any other provisions of this Agreement, be transferred before any other pilots who were at the base station prior to his arrival are required to transfer. Except as specifically provided in this subparagraph, the rights and privileges extended to such pilot by the other provisions of this Section shall apply.

Q. Maintenance and Engineering Flying

1. Pilots shall be domiciled at the Maintenance and Engineering Base at Tulsa, Oklahoma (TULE). Vacancies shall be proffered to pilots on the seniority list on a systemwide basis.

2. Vacancies in each pilot category shall be bulletined and awarded according to the ap-

propriate portions of Section 23 of the Agreement except as follows:

a. 23 C—added to the bulletin will be:
(1) Job description
(2) minimum qualifications
(3) the rate or rates of pay.

b. 23 F—Any pilot awarded the vacancy at the Maintenance and Engineering Base will normally be required to serve in this capacity for not less than one year, during which time he shall be restricted from bidding any pilot vacancy which may arise anywhere in the system.

c. At the conclusion of one (1) year of service at the Maintenance and Engineering Base or at an earlier time if affected by a reduction in force or by mutual agreement, the pilot may exercise those rights denied in subparagraph b. above.

3. a. The provisions of Section 23, paragraphs L, M and N and Section 20, paragraph C. 4. shall not be applicable to TULE.

b. The number of vacancies in each pilot category to be bulletined and awarded at TULE shall be sufficient to cover all flying normally required to be performed, provided that the number of Bid First Pilots domiciled at the base shall be one (1) more than the number of Bid Copilots.

c. The junior Bid First Pilot at TULE may be required to fly as copilot as needed at first pilot rates.

d. Other than supervisory pilots, no pilot shall be domiciled at TULE who does not hold bid status at the base.

e. Upgrading for temporary assignment as first pilot at TULE shall, when necessary,

be accomplished by proffer, in order of seniority, to the Bid Copilots at the base. When a TULE based Bid Copilot is assigned as a first pilot during a calendar month, his monthly salary shall be prorated on the basis of the ratio of the days served in each pilot category to the total days served in the month.

4. When temporary assignments for Copilot flying are required, they shall be proffered, in order of seniority, to qualified pilots at the nearest overmanned base stations. Pay for such temporary assignments shall be at the rate of pay for the assignment or scheduled trips missed by the assigned pilot, whichever is greater.

5. Pilots moving to and from assignments as described herein shall pay their own moving expenses, except in cases of reduction in force at the Maintenance and Engineering Base, in which case expenses will be paid by the Company in the same manner as reductions in force at any pilot base.

SECTION 24
FLYING ASSIGNMENTS

A. Selection

1. Order of Selection

A pilot may select any of the monthly flying assignments posted for selection at his home base station. Such pilot shall be awarded a regular or reserve flying assignment in accordance with his system seniority at each base station as follows:

a. Pilot Flying Assignments

(1) Bid First Pilots at the base station.

(2) Bid Copilots at the base station who are eligible for first pilot flying.

(3) Pilots assigned in accordance with Section 24, paragraph D. 2 or 3. with no bid status (eligible for first pilot flying only, in this classification, or if no first pilot flying available reverts to Classification 6.).

(4) Bid Copilots at the base station who are not eligible for first pilot flying.

(5) All other pilots not holding bid status, except that when a copilot holding reinstatement rights is transferred to another base station in non-bid status, by the reverse order of system seniority rule, he may select trip assignments in accordance with his relative system seniority at the base station in Classification 4. if his seniority merits.

2. Reserve Assignments

a. When a Bid First Pilot selects and is awarded a reserve first pilot flying assignment, he shall be subject to all the provisions of this Agreement applicable to Reserve First Pilots except Section 24, paragraph D, as though he were a Reserve First Pilot.

b. When a Bid Copilot selects and is awarded a reserve copilot flying assignment, he shall be subject to all the provisions of this Agreement applicable to Reserve Copilots as though he were a Reserve Copilot.

c. When additional flying assignments for Reserve First Pilots become necessary, pilots under A. 2. of paragraph 1. shall be awarded

such reserve flying assignments at a base station in order of System seniority from those pilots who selected but were not awarded such assignments.

d. When all the monthly reserve flying assignments offered for selection at a base are not filled by the voluntary or obligated selection of pilots qualified for such flying, the selections may be filled by the assignment, in reverse order of System seniority at the base, of those pilots, regardless of bid status, who hold the necessary equipment qualifications, subject to the following provisions:

(1) The limitations and pay provisions of paragraph E. 1. of this Section shall apply.

(2) The Company shall be required to undertake the training of one (1) pilot, in the applicable pilot category and equipment subdivision, for each pilot so assigned, but not in excess of the number of pilots in the applicable category who were, at the time of such assignment, being withheld from training in the applicable equipment type, or who by virtue of the provisions of paragraph E.2. of this Section, became entitled to such training in the same month.

(3) The required training set forth in paragraph (2) above shall be completed by the first of the fourth month following the month for which the assignment was made which incurred the obligation. In the interim, the Company may continue, if necessary, to assign to reserve flying assignments, pilots in each category and equipment subdivision equal to the number

of training obligations incurred in such category and equipment subdivision, without incurring further training obligations. If the Company assigns to reserve flying, pilots in a particular category and equipment subdivision in excess of the number of training obligations previously incurred in such category and equipment subdivision, an additional training obligation shall be incurred in accordance with pagagraph (2) above, for each pilot so assigned.

(4) A pilot who is assigned to reserve under the provisions of paragraph (3) above shall be entitled to his choice of off-duty periods, as provided under Section 21D of this Agreement, as between any of the off-duty dates offered for selection in the reserve pilot category and equipment subdivision in the monthly trip selection posting, whether or not his choice would mean duplication of such off-duty dates, or the off-duty dates posted in the selection such pilot would have been awarded had he not been assigned to reserve, not to exceed the equivalent of five (5) duty-free periods of forty-eight (48) hours each.

3. Assignments in Lower Pilot Categories

a. When a Bid First Pilot selects and is awarded a copilot flying assignment, he shall be subject to all the provisions of this Agreement applicable to copilots as though he were a copilot.

b. Reserve First Pilots may be assigned as copilots.

4. Effect on Bid Status

The selection of any flying assignment will not affect a pilot's bid status.

B. Preference Over Reserve Pilots

1. A pilot, other than a reserve pilot, who is low on flying time during any calendar month shall, when legal and available be given preference over reserve pilots in his category to open flying in the equipment division (jet or propeller) in which he holds a trip selection award. Such preference may be exercised for the purpose of making up flying time but only to the extent of the difference between such pilot's projection at that time and his applicable monthly maximum. Such pilot shall be given preference to any flying assignments for which flight pay is paid and which are normally flown by reserve pilots, provided that the operation of such preference shall not require the displacement of any pilot (including himself) from his regularly scheduled trip.

2. Notwithstanding the provisions of paragraph B. 1. above, a pilot who is scheduled to report or who reports for a flight duty period or flight duty periods as set forth in sections 21 E or 21 F of this Agreement, may be assigned by the Company to perform flying as set forth in paragraphs E. 2. b., E. 2. c. and E. 2. d. of Section 21 before, during or after such pilot's scheduled flight duty period or periods.

C. Preference of Reserve Pilots

1. When no other pilots exercise preference in their equipment divisions (jet or propeller), reserve pilots at a base station, when available, shall be given preference to open flying in their pilot category and equipment division as follows:

a. Proffer in order of seniority to, thereafter assign in reverse order of seniority,

available reserve pilots in the equipment subdivision in which such open flying falls.

b. Proffer in order of seniority to, thereafter assign in reverse order of seniority, available reserve pilots in the next lower paying equipment subdivision.

c. Repeat step b. through lower paying equipment subdivision.

d. Proffer in order of seniority to, thereafter assign in reverse order of seniority, available reserve pilots in the next higher paying equipment subdivision.

e. Repeat step d. through higher paying equipment subdivisions.

Equipment subdivision, as used in this Section, shall mean the type or types of aircraft involved in a reserve flying assignment as posted for selection.

2. Effective with the flying for the eleventh (11th) calendar day of the month, and continuing through the twenty-fourth (24th) calendar day of the month, the Company may withhold from flying, in reverse order of seniority within each equipment subdivision, each reserve pilot whose accumulated flight time credits exceed a daily average of two hours and thirty minutes (2:30) in the jet equipment division, two hours and forty minutes (2:40) in the propeller equipment division. In computing the daily average, the calendar day or days withheld shall be included. A reserve pilot who is withheld in accordance with this provision must be notified of such action prior to 0001 of the calendar day on which he is to be withheld. Such reserve pilot shall not be considered to be on reserve until the completion of the calendar day or days withheld, except

that such pilot may be assigned to open flying in his equipment subdivision before the assignment of any pilot who holds a regular trip selection award.

3. Effective with the flying for the fifteenth (15th) calendar day of the month and continuing through the twentieth (20th) calendar day of the month, when assigning reserve pilots in reverse order of seniority as provided in paragraph C.1. above, the Company may consider the reserve pilot whose accumulated flight time credits are less than the accumulated flight time credits of each of the other reserve pilots in his equipment subdivision to be the junior available reserve pilot in such equipment subdivision.

4. Under the provisions of this paragraph C, pilots who hold flying assignments on jet aircraft may not fly propeller aircraft during the same calendar month nor may pilots who hold flying assignments on propeller aircraft fly jet aircraft during the same calendar month. However, subject to the provisions of Section 23-N-4, the Company may, when it is deemed necessary during the calendar month, provide additional reserves in the jet equipment division in order of seniority from those pilots in the propeller equipment division who hold the necessary jet qualifications and who selected but were not awarded such assignments, thereafter assign in reverse order of seniority from the propeller equipment division those pilots who hold the necessary jet equipment qualification.

D. Flying Assignments — Reserve Pilots

1. Advancement to the status of First Pilot or Reserve First Pilot at a base station shall be

accomplished by promotion from the ranks of the ATPC Pilots at such base station, in order of system seniority.

2. When additional First Pilots or Reserve First Pilots are required at a base station and there is an insufficient number of ATPC Pilots at such base station eligible for promotion, the Company may furnish additional First Pilot or Reserve First Pilot coverage to the base station by proffering assignment to First Pilots, Reserve Pilots and ATPC Pilots, in order of system seniority, at the nearest major base station normally providing reserve coverage. If such major base station is unable to furnish additional pilots, proffer shall be made to the First Pilots, Reserve Pilots and ATPC Pilots at the nearest base station where a surplus of such pilots exists. In the event that an insufficient number of the eligible pilots accept the proffer of assignment, the Company will assign in the reverse order of system seniority from the ranks of the ATPC Pilots at the nearest base station at which a surplus of such ATPC Pilots exists.

3. When the number of Reserve First Pilots at a base station is inadequate for the coverage of short duration reserve flying assignments, the Company may then assign additional Reserve First Pilots from the ranks of the Reserve First Pilots at the nearest major base station who hold the route and equipment qualifications necessary for the assignment. In the event that there is an insufficient number of such pilots available at the major base station, the Company may assign from the nearest base station at which an excess of such qualified Reserve First Pilots exists.

4. A pilot assigned in accordance with sub-

paragraphs 2 and 3 of this paragraph shall be eligible for reserve flying only (when at other than his regular base station). A pilot so assigned shall be deemed, for purposes of this paragraph, to be temporarily assigned until such time as a Reserve First Pilot or ATPC Pilot properly domiciled at the base station becomes available for Reserve First Pilot duty, or until such time as the Reserve First Pilot flying assignment is terminated, whichever is sooner, at which time such assigned pilot shall forthwith be returned to his former base station and status.

5. A pilot assigned in accordance with subparagraph 3 of this paragraph D will be allowed expenses while away from his regular base station in accordance with Section 11 D. A pilot assigned in accordance with subparagraph 2 of this paragraph D will be allowed expenses while away from his regular base station in accordance with Section 11 D for the first six months of such assignment; provided that such pilot may elect to accept, if offered, moving expenses in accordance with Section 12. After six months, moving expenses will be paid in accordance with Section 12, or expenses paid in accordance with Section 11 D at the option of the Company.

E. Qualification on Equipment

1. A pilot who selects and who by virtue of his seniority and qualifications is entitled to be awarded a specific trip selection at his home base station, may be denied such trip selection and assigned another trip selection not of his choice subject to the following:

a. A pilot denied under this provision shall receive flight pay for the trip selection to which he is assigned but not less than the

pay for the scheduled flight time, including applicable credits under Section 21. E. and 21. F. of this Agreement, of the trip selection he was denied.

b. Under this provision a copilot may be denied the trip selection of his choice for not more than two (2) months in a calendar year in order to permit the assignment of such copilot to another selection for purposes of training such copilot or to avoid the pairing of two cockpit crew members, both of whom are minimally qualified on the equipment or the route.

c. Under this provision a copilot preparing for assignment to duty as a First Pilot or Reserve First Pilot may be assigned to a trip selection not of his choice for a period of not more than six (6) consecutive months, provided, however, that the pay provisions of E.1.a. above shall not apply to copilots under Section 22 of this Agreement.

d. A Bid Copilot may be assigned to a Reserve First Pilot flying assignment.

e. A Bid Pilot may not be assigned to a reserve selection in his category except that under the provisions of A.2.e. and C.4. of this Section a Bid Pilot may be assigned to reserve in his category for not more than one (1) month in a calendar year.

f. Unless otherwise provided in this Section, no pilot may be denied under this provision more than one (1) month in a calendar year.

g. Except as set forth in b. and c. above, denials and assignments under this provision shall be made in reverse order of System seniority at the base station.

2. a. A pilot who by virtue of his seniority is entitled to be awarded a specific trip selec-

tion may be denied such selection for lack of equipment qualification. If such pilot is denied a trip selection on such equipment for each of the succeeding two (2) months or is denied a trip selection on such equipment for any one (1) of the third, fourth or fifth months following the month of the first selection he was so denied, such pilot shall begin training on such equipment by not later than the sixth month following the month of the first selection he was so denied. Starting in the third month following the month of the trip selection he was denied for lack of qualification, a pilot shall be paid for the monthly flying assignment to which he is entitled by virtue of his seniority or the pay involved in his regular or reserve monthly flying assignment, whichever is greater. Such pay shall continue until such pilot completes the required training or declines an assignment to a training program.

b. A pilot who by virtue of his seniority is entitled to be awarded a specific trip selection may not be denied such selection for having failed to maintain the necessary equipment qualifications. The Company shall furnish such requalification. Such pilot shall receive flight time pay and flight time credit in accordance with Section 8 of this Agreement until such requalification is accompublished. Such pilot shall be available on other than scheduled duty free periods for purposes of obtaining such requalification.

c. A pilot who by the exercise of his seniority selects a reserve flying assignment in the propeller equipment division and is denied such assignment because he lacks

equipment qualification and is accordingly made eligible for training as set forth in paragraph a. above, must upon completion of training, and prior to other selections, bid all selections, including reserve flying assignments, involving the equipment on which he received training in at least one (1) month in the next three (3) months immediately following the completion of training.

d. A pilot need not select a specific trip selection in his category on a lower paying piece of equipment in order to protect his earnings. Such a pilot who held a regular or reserve trip selection on a given piece of equipment and who can no longer hold such selection shall be guaranteed no less pay than his last regularly scheduled monthly sequence of trips on such equipment would produce or his reserve guarantee on such equipment or the pay for the flying assignment to which his seniority entitles him, whichever is greatest, until such time as he receives the necessary equipment qualifications.

3. a. A pilot who, subsequent to August 1, 1963, receives training and qualification on Boeing 707 or Convair 990 type aircraft by virtue of the acceptance of a proffer or entitlement under the provisions of paragraph E.2. of this Section, may be required to select all flying assignments, including reserve in his category on both Boeing 707 and Convair 990 aircraft for a period of twelve (12) consecutive calendar months following the date of his aircraft rating qualification.

b. Notwithstanding the provisions of paragraph a. above, the provisions of paragraph

E.2. of this Section shall be applicable to such pilot, if, during the period of twelve (12) calendar months following his aircraft rating qualification, he selects and is otherwise entitled to be awarded a flying assignment on the Boeing 707 or Convair 990 type on which he had not previously been qualified.

c. Such pilot does not relinquish his right to select flying assignments on other than Boeing 707 or Convair 990 aircraft for purposes of establishing eligibility for training under the provisions of pagagraph E.2. of this Section but notwithstanding contrary provisions of paragraph E.2. of this Section, the Company shall not be obligated to undertake the training of such pilot earlier than the first month following the expiration of such pilot's twelve (12) month obligation.

4. a. Notwithstanding the provisions of paragraph E.3. of this Section, when the Company introduces new equipment, the assignment of pilots to training shall be accomplished in order of seniority from among those pilots at the base station who accept, in writing, a Company proffer of training on such new equipment. The final proffer of training at each base shall be so identified and thereafter training on such new equipment shall be accomplished under the provisions of Section 24 E.2., provided, however, that the Company shall not thereafter be prohibited from posting additional proffers of training should they become necessary.

b. A pilot who accepts a proffer of training as set forth in a. above may be withheld from such training in reverse order of seniority for a period not to exceed six (6)

months, only due to the avilability of an insufficient number of equipment qualified pilots in his category in the equipment subdivision he is vacating. Such pilot shall be guaranteed the pay of any pilot junior to him in any month such junior pilot flies such new equipment.

5. a. A pilot who receives training and qualification on an aircraft type introduced by the Company subsequent to August 1, 1963, by virtue of the acceptance of a proffer or entitlement under the provisions of paragraph E.2. of this Section, may be required to select all flying assignments, including reserve in his category, on such new equipment type for a period of twelve (12) consecutive calendar months following his aircraft rating qualification.

b. Such pilot does not relinquish his right to select flying assignments in his category on higher paying equipment for purposes of establishing eligibility for training or to select flying assignments in his category on higher paying equipment on which he holds qualification. The Company may release such pilot from his twelve (12) month obligation in order of seniority from among those obligated pilots who have fulfilled the Company's minimum experience requirements on such new equipment and who have selected flying assignments on higher paying equipment.

c. Such pilot does not relinquish his right to select flying assignments in his category on lower paying equipment on which he holds qualification. The Company may award such pilot the flying assignment of his choice on lower paying equipment in order of seniority

from among those obligated pilots who have fulfilled the Company's minimum experience requirements on such new equipment and who have selected flying assignments on lower paying equipment. The use of a qualified pilot to replace such pilot in a given month shall not entitle another pilot to establish eligibility for training on such new equipment. The release of such pilot in a given month does not cancel the remainder of such pilot's twelve (12) month obligation.

d. Such pilot does not relinquish his right to select flying assignments in his category on lower paying equipment for purposes of establishing eligibility for training under the provisions of paragraph E.2. of this Section but, notwithstanding contrary provisions of paragraph E.2. of this Section, the Company shall not be obligated to undertake the training of such pilot earlier than the first month following the expiration of such pilot's twelve (12) month obligation.

e. A pilot who is not released in accordance with b, c. and d. above shall be guaranteed the flight pay of any trip selection to which his seniority would entitle him and which he is denied, starting in the seventh (7th) month of his twelve (12) month period of obligation.

6. a. A pilot who holds qualification on a particular type or types of equipment, who transfers into a base from which such type or types of equipment are operated shall not utilize his qualification to be awarded or assigned to a trip selection or reserve flying assignment on such type or types of equipment so long as pilots senior to him at the

base who desire such qualification remain unqualified on such equipment types.

b. A pilot who transfers into a base lacking qualification on a particular type or types of aircraft operated out of such base and who establishes eligibility for training on one such equipment type under the provisions of Section 24 E.2. shall be paid for the flying assignment to which his seniority would normally entitle him or the pay earned for the month, whichever is greater.

c. A pilot who is obligated under the provisions of this Section does not relinquish his right to bid or qualify for a base vacancy under the terms of this Agreement, except that he may be withheld from occupying such base vacancy until the availability of a qualified pilot to replace him on the equipment on which he is obligated, or until ninety (90) days have elapsed, whichever first occurs. A pilot who is so withheld will be considered on a temporary assignment effective with the date of the bid award and the provisions of Section 11 D of this Agreement shall apply. Such pilot, in addition to the monthly flying assignment which he selects at the base station at which he is being held, shall also select a monthly flying assignment at his new base station for pay purposes and shall receive pay equal to that which he would have earned on a scheduled basis on the flying assignment of his choice at his new base station consistent with his seniority or the pay earned for the month, whichever is greater.

7. A pilot who completed training on Convair 990 aircraft within the five (5) months preceding the effective date of this Agreement,

may be required to select all flying assignments on 990 aircraft, including reserve in his category, until six (6) months from the date of his aircraft rating qualification, subject to the provisions of paragraph 3.a., 3.b., and 3.c. above.

F. If a regular scheduled pilot is legal in all respects for his next regularly scheduled trip, but is assigned by the Company to perform other flying instead of his regular trip, he shall be paid and credited for whichever of the two trips produces the higher pay. If as a direct result of an assignment a pilot loses a trip or trips for which he otherwise would have been legal in all respects without such assignment, he shall receive flight pay and credit for the trip or trips missed, but not beyond his applicable monthly maximum.

G. Composition

1. A regularly scheduled monthly flying assignment will be made up in the following manner:

A. A single trip pairing, that is, a going and returning trip.

b. It may consist of two or more trip pairings.

c. It may be a schedule wherein different trips or trip pairings are flown during the month.

d. Vacation relief will be a regular flying assignment insofar as practical.

2. In addition to regular scheduled flying assignments, there will be a number of reserve flying assignments, the number to be determined under the provisions of this Agreement. Reserve flying assignments will be posted

in accordance with equipment subdivisions established for the base, provided that a given type of equipment shall not appear in more than one equipment subdivision.

SECTION 25

REDUCTION OF BID STATUS — FURLOUGHING

A. Loss of Status

When there is a furloughing of pilots on the system, all such furloughing of pilots shall be accomplished in the reverse order of system seniority on the system. When for any reason at any time there is any lowering or loss of the bid statuses of pilots at any base station or stations, such changes in pilot statuses shall be accomplished in the reverse order of system seniority at such base station or stations, except as provided in this Section.

B. Notifications and Elections—Bid First Pilots

1. When the flying operations of the Company are to be reduced at any base station or stations on the system resulting in any reduction or loss of the bid statuses of pilots at any such base station or stations, all pilots to be affected thereby shall be given written notice by the Company by Registered Air Mail Letter, return receipt requested, or by Telegram, of such changes in status. Not later than fourteen (14) days after the date of postmark or the date of transmission of such notice, such Bid First Pilots shall give written notice to the Company by Registered Air Mail Letter or Telegram of their decision to exercise one of the following courses of action:

a. Revert to the status of Bid Copilot at present base station with Bid First Pilot reinstatement rights.

b. Displace the most junior Bid First Pilot other than the most junior Bid First Pilot on the system at any base station of their choice at pilot's expense.

c. Displace the most junior Bid First Pilot on the system at Company expense.

2. Any Bid First Pilot electing to exercise displacement rights may qualify such written election in order of preference on the applicable forms to be furnished by the Company

3. The elections of pilots desiring to exercise displacement rights shall be reviewed in the order of system seniority of such pilots but shall not be finally granted pending a review of the effect of the displacement rights of the Bid First Pilots described in subparagraph 4 of this paragraph.

4. When a Bid First Pilot is to be displaced as a result of the exercise of the displacement rights described in subparagraph 1 of this paragraph, he shall be given notice of such impending displacement by the Company as far in advance as is practicable by Registered Air Mail Letter, return receipt requested, or by Telegram and, not later than ten (10) days after date of postmark or transmission of such notice, he shall submit his elections to displace in the same manner and on the same forms as provided in subparagraph 1 of this paragraph.

5. Any Bid First Pilot displaced as a result of any of the displacement rights specified in subparagraphs 1 and 4 of this paragraph shall be notified of such impending displacement by the Company as far in advance as is practi-

cable by Registered Air Mail Letter, return receipt requested, or by Telegram and not later than seven (7) days after the date of postmark or date of transmission of such notice, shall give written notice to the Company by Air Mail Letter or Telegram of his decision to:

a. Revert to the status of Bid Copilot at his present base station with Bid First Pilot reinstatement rights.

b. Displace the most junior Bid First Pilot on the system.

6. Any Bid First Pilot exercising a displacement right in accordance with the provisions of this paragraph shall be governed by the following terms and conditions:

a. Any displacing Bid First Pilot must have greater system seniority than the Bid First Pilot that he displaces.

b. When the most junior Bid First Pilot on the system is displaced he shall revert to the status of Bid Copilot at his base station with Bid First Pilot reinstatement rights.

c. When the elections of all Bid First Pilots, in subparagraphs 1 and 4 of this paragraph have been reviewed, final notification shall be given those pilots successfully exercising their displacement rights and the base station at which such rights are to be exercised in accordance with their preference. All such pilots shall transfer to effect displacement, and may be required to report to their new base stations in accordance with all of the provisions of Section 23 G of this Agreement.

d. A pilot displacing the most junior Bid First Pilot on the system shall effect such displacement at Company expense. A pilot

displacing any other Bid First Pilot as provided herein shall effect such displacement at his own expense.

e. A Bid First Pilot successfully exercising displacement rights shall forthwith forfeit all reinstatement rights held at the time and prior to such displacement.

f. A pilot exercising displacement rights as provided herein shall be afforded the same opportunity to acquire route and equipment qualifications as is afforded a successful bidder.

g. A Bid First Pilot not submitting an election in the prescribed manner and within the prescribed time limits shall revert to Bid Copilot status at his base station with Bid First Pilot reinstatement rights.

C. Notification and Elections — Bid Copilots

1. When the flying operations of the Company are to be reduced at any base station or stations on the system resulting in any reduction or loss of the bid statuses of copilots at any such base station or stations, or when any Bid Copilot loses bid status as a result of the exercise of displacement rights by a Bid Pilot, all pilots to be affected thereby shall be given written notice by the Company by Registered Air Mail Letter, return receipt requested, or by Telegram, of such changes in status. Not later than fourteen (14) days after the date of postmark or the date of transmission of such notice, such Bid Copilots shall give written notice to the Company by Registered Air Mail Letter or Telegram of their decision to exercise one of the following courses of action:

a. Revert to the status of Non-Bid Pilot at present base station with Bid Copilot reinstatement rights.

b. Displace the most junior Bid Copilot other than the most junior Bid Copilot on the system at any base station of their choice at pilots expense.

c. Displace the most junior Bid Copilot on the system at Company expense.

2. Any Bid Copilot electing to exercise displacement rights may qualify such written election in order of preference on the applicable forms to be furnished by the Company.

3. The elections of pilots desiring to exercise displacement rights shall be reviewed in the order of system seniority of such pilots but shall not be finally granted pending a review of the effect of the displacement rights of the Bid Copilots described in subparagraph 4 of this paragraph.

4. When a Bid Copilot is to be displaced as a result of the exercise of displacement rights described in subparagraph 1 of this paragraph, he shall be given notice of such impending displacement by the Company as far in advance as practicable by Registered Air Mail Letter, return receipt requested, or by Telegram and, not later than ten (10) days after date of postmark or transmission of such notice, he shall submit his elections to displace in the same manner and on the same forms as provided in subparagraph 2 of this paragraph.

5. When a Bid Copilot is to be displaced as a result of the exercise of the displacement rights described in subparagraph 4 of this paragraph, he shall revert to the status of Non-Bid Pilot at his present base station with Bid Copilot reinstatement rights.

6. Any Bid Copilot exercising a displacement right in accordance with the provisions

of this paragraph shall be governed by the following terms and conditions:

a. Any displacing Bid Copilot must have greater system seniority than the Bid Copilot that he displaces.

b. When the most junior Bid Copilot on the system is displaced, he shall be covered under the provisions of paragraph 5 above.

c. When the elections of all Bid Copilots in subparagraphs 1 and 4 of this paragraph have been reviewed, final notification shall be given those pilots successfully exercising their displacement rights and the base station at which such rights are to be exercised in accordance with their preference. All such pilots shall transfer to effect displacement, and may be required to report to their new base stations in accordance with all of the provisions of Section 23 G of this Agreement.

d. A pilot displacing the most junior Bid Copilot on the system shall effect such displacement at Company expense. A pilot displacing any other Bid Copilot as provided herein shall effect such displacement at his own expense.

e. A Bid Copilot successfully exercising displacement rights shall forthwith forfeit all reinstatement rights held at the time and prior to such displacement.

f. A pilot exercising displacement rights as provided herein shall be afforded the same opportunity to acquire route and equipment qualifications as is afforded a successful bidder.

g. A Bid Copilot not submitting an election in the prescribed manner and within

the prescribed time limited shall be covered under the provisions of paragraph 5 above.

D. Preference in Transfer

1. All pilots not holding bid status will be permitted to express written preferences to the Company for any base station or stations on the system to which they desire to be transferred. The Company shall maintain a file containing all such written preferences submitted to them during the twelve (12) preceding months.

2. Preferences of Non-Bid Pilots shall be granted in the order of their system seniority and in the order of preference, provided that such preferences shall be honored only when such transfer contemplates the move from an overmanned base station to an undermanned based station.

3. a. When any base station is overmanned by reason of curtailment at any base station or stations on the system, and for thirty (30) days following such curtailment, any Non-Bid Pilot who expresses preference and is transferred to the nearest undermanned base station shall have his moving expenses paid by the Company. When the undermanned base station of his choice is a greater distance from his present base station than the nearest undermanned base station, such pilot will receive his moving expenses as provided in Section 12 less one-half (½) of his actual additional shipping expenses occasioned by the longer move.

b. At all other times Non-Bid Pilots granted transfers to base stations for which they have expressed written preference shall pay their own moving expenses.

4. When no Non-Bid Pilots have indicated written preferences for assignment to an undermanned base station, assignment will be made in reverse order of system seniority from the ranks of the Non-Bid Pilots at any overmanned base station or stations on the system.

5. All Non-Bid Pilots transferring from one base station to another shall be governed by the following terms and conditions:

a. A Non-Bid Pilot transferring by written preference shall forfeit all reinstatement rights held at the time and prior to the effective date of such transfer.

b. The moving expenses of a Non-Bid Pilot transferring by written preference shall be prorated on the basis of the most direct AAA mileage from point of origin to point of destination.

c. Non-Bid Pilots transferring by Company direction shall retain reinstatement rights to former base stations and status, and all moving expenses shall be paid by the Company.

d. All Non-Bid Pilots may be required to report to their new base stations in accordance with all of the provisions of Section 23 G of this Agreement.

6. Bid vacancies arising by reason of furlough need not be bulletined beyond the first step of the bidding procedure.

E. Closing of a Base Station — Moving Expenses for Pilots

1. The Company will announce the closing date of a base station at least three (3) months prior to the closing of the base station; provided that such notice shall not be required

when a base station is closed due to unforeseeable contingencies.

2. During the period between the announcement of closing and the closing of the base station, the total monthly flight time at the base station being closed will be maintained by the Company; provided that the maintenance of such time will not be required if the removal of such time is caused by circumstances beyond the reasonable control of the Company.

3. During the period between the announcement of closing and the closing of the base station, any Bid Pilot who exercises his seniority on a successful base station bid shall pay his moving expenses to his new station. The vacancy created at that base station by a Bid First Pilot bidding out shall be considered a short duration flying assignment, and shall be filled in accordance with the provisions set forth in Section 24 D 3 of this Agreement.

4. At least fourteen (14) days before the closing date of a base station, Bid Pilots will advise the Company of their election under subparagraphs 5, 6 or 7 below.

5. Any Bid Pilot who remains at the base station being closed to the date of closing shall be paid one-half (½) of his moving expense to the base station of his choice if he displaces the most junior Bid Pilot in his status other than the most junior Bid Pilot in his status on the system.

6. Any Bid Pilot who remains at the base station being closed to the date of closing and who displaces the most junior Bid Pilot in his Status on the system shall be moved at Company expense.

7. a. Bid Copilots who stay at the base to the date of closing shall have the right to revert to non-bid status.

b. Non-Bid Pilots as well as Bid Copilots who elect to revert to non-bid status and who remain at the base to the date of closing will advise the Company of their preferences under subparagraph D 3 above.

F. Method of Furloughing

Irrespective of any of the provisions of this Agreement, when a curtailment of the operations of the Company results in a lesser number of pilots employed by the Company, the most junior pilots on the system, irrespective of their status or any other right that has accrued to them, shall be furloughed in accordance with the reverse order of system seniority on the system. When a furloughed pilot is recalled and placed on active pilot status with the Company, he shall have no prior right or claim to any vacancy or vacancies that have been filled during the period of such furlough. Reinstatement rights, if any, of a furloughed pilot, shall not be exercisable while such pilot is on furlough and shall run concurrently with such furlough period or periods, provided that when a pilot returns to active service with the Company, any remaining part of his reinstatement rights shall again be in full force and effect, and exercisable.

G. Furloughed Pilots

A pilot furloughed by the Company due to a reduction in force shall continue to accrue seniority during the period of such furlough, provided that such accrual of seniority shall not continue beyond a period of five (5) consecutive years. Length of service for pay purposes shall not accrue during such period of furlough.

H. Method of Recall

All pilots furloughed from the Company shall file proper addresses with the Vice President-Flight of the Company at the time of furlough. Any changes in address must be supplied promptly to the Vice President-Flight of the Company. Such furloughed pilots shall be allowed a period of twenty-one (21) days to return to the service of the Company after date of postmark of reply requested Telegram or Cablegram, or Registered Air Mail Letter, return receipt requested, of his reassignment to duty with the Company, sent to the last address on file with the Vice President-Flight of the Company. A pilot shall not be entitled to preference in re-employment if he does not comply with the foregoing requirements. The Company may, at its discretion when extraordinary circumstances exist, extend such period of time for return to service, and shall notify the Association President at the time such extension is granted.

SECTION 26
PHYSICAL EXAMINATIONS

A. The purpose and object of any Company physical examination for a pilot shall be to diagnose the true and actual physical condition of the pilot, and the pilot or his duly designated personal physician will be furnished with an exact duplicate copy of all medical examiner's reports affecting him.

B. Physical standards for Company physical examinations will be those standards set forth in the F.A.A. Regulations as being required to maintain a first class F.A.A. Medical Certificate with waivers for Air Line Pilots. Physical examination procedures shall be determined by the Company.

C. Any information obtained by, or a result of, a Company physical examination shall be strictly confidential between the Company, the Company's doctor, and the pilot, and shall not be divulged to any other person without the written permision of the pilot.

D. A pilot shall not be required to submit to any Company physical examination in excess of two (2) in any twelve (12) month period without the pilot's consent, unless it is the Company's opinion that his health or physical condition is appreciably impaired, in which case the following procedure shall apply:

1. The Company shall notify the pilot in writing, specifying the nature and extent of its concern.

2. Any pilot hereunder who in the Company's opinion fails to pass a Company physical examination may within thirty (30) days, at his option, have a review of his case in the following manner.

a. He may employ a qualified medical examiner of his own choosing and at his own expense for the purpose of conducting a physical examination for the same purpose as the physical examination made by the medical examiner employed by the Company.

b. A copy of the findings of the medical examiner chosen by the employee shall be furnished to the Company, and in the event that such findings verify the finding of the medical examiner employed by the Company, no further medical review of the case shall be afforded.

c. In the event that the findings of the medical examiner chosen by the employee

shall disagree with the findings of the medical examiner employed by the Company, the Company will at written request of the employee ask that the two (2) medical examiners agree upon and appoint a third (3rd) qualified and disinterested medical examiner, preferably a specialist, for the purpose of making a further physical examination of the employee.

d. The said disinterested medical examiner shall then make a further examination of the pilot in question and the case shall be settled on the basis of his findings. The said disinterested medical examiner will be given a copy of the findings of the two physicians previously mentioned, prior to making his examination.

e. The expense of employing the disinterested medical examiner shall be borne one-half (½) by the pilot and one-half (½) by the Company. Exact duplicate copies of such medical examiner's report shall be furnished to the Company and to the pilot.

E. When a pilot is removed from flying status by the Company as a result of his failure to pass the Company's medical examination and appeals such action under the provisions of this section, he shall, if such action is proven to be unwarranted as provided in paragraph D of this section, be paid retroactively for all time lost in an amount which he would have ordinarily earned had he been continued on flight status during such period; providing further that in no case shall he be paid for a period in excess of ninety (90) days from the date of his removal from flight status.

SECTION 27
INVESTIGATION AND DISCIPLINE

A. Hearing

1. A pilot shall not be disciplined or dismissed from the service of the Company without notification in writing, of such action, nor without an investigation and hearing thereon, provided that such pilot makes written request for such investigation and hearing within ten (10) days after receiving such notification.

2. A pilot may be held out of service by the Company pending such investigation and hearing and appeals therefrom.

3. Such written request for an investigation and hearing shall be addressed to the pilot's immediate superior, with a copy thereof to the Vice President — Flight.

4. Prior to such investigation and hearing, such pilot shall be notified in writing by the Company of the precise charge or charges against him. He shall be given the necessary time, not exceeding ten (10) days, in which to secure the presence of witnesses and shall have the right to be represented by an employee of the Company of his choice or by his duly accredited representative or representatives.

5. Such investigation and hearing shall be held by the Manager — Flight under whose supervision the pilot falls, or his designated representative and shall be held within ten (10) days after the receipt of the pilot's written request therefor. For those pilots domiciled at the Maintenance Base at Tulsa, Oklahoma, such investigation and hearing shall be held by the Manager — Flight Test.

6. Within ten (10) days after close of such investigation and hearing the Company shall announce its decision in writing and shall furnish the pilot, or his duly accredited representative, a copy thereof.

B. Appeal

1. When a copy of such decision has been received by the pilot or his duly accredited representative or representatives, and if such pilot is dissatisfied with the Company's decision, he shall have the right of appeal to the Vice President—Flight, provided such appeal request is filed by the pilot in writing with the Vice President—Flight, within ten (10) days from the date such pilot receives a copy of the Company's decision of the first investigation and hearing provided in paragraph A of this Section. Such appeal hearing shall be held within ten (10) days after receipt of the pilot's written request therefor by the Vice President —Flight, or his designated representative.

2. Within ten (10) days after the close of such investigation and hearing, the Vice President—Flight or his designated representative shall announce his decision in writing and shall furnish the pilot, or his duly accredited representative or representatives, with a copy thereof.

C. General

1. If any decision made by the Company under the provisions of this Section is not appealed by the pilot affected within the time limit prescribed herein for such appeals, the decision of the Company shall become final and binding.

2. Nothing in this Agreement shall extend the right of investigation and hearing, stipu-

lated in paragraph A 1 of this Section, to a copilot during his first twelve (12) months of service as a copilot.

3. If, as a result of any hearing or appeal therefrom as provided herein, a pilot is exonerated, he shall, if he has been held out of service, be reinstated without loss of seniority and shall be paid for such time lost in an amount which he would have ordinarily earned had he been continued in service during such period.

4. If, as a result of any hearing or appeal therefrom as provided herein, the pilot shall be exonerated, the personnel record shall be cleared of the charges.

5. It is agreed by the parties hereto that the periods of time for hearings, decisions and appeals, established in this Section shall be considered as maximum periods and that when hearings, decisions and appeals can be handled in a period of less than the maximum time stipulated, every effort will be made so to expedite such cases.

6. When it is mutually agreed that a stenographic report is to be taken of the investigation and hearing in whole or in part, the cost will be borne equally by both parties to the dispute. In the event it is not mutually agreed that a stenographic report of the proceedings shall be taken, any written record available taken of such investigation and hearing shall be furnished to the other party to the dispute upon request, provided that the cost of such written record so requested shall be borne equally by both parties to the dispute.

7. After the appeal provisions hereinbefore provided have been complied with, further ap-

peal by the pilot, if made, shall be to the "American Airlines Pilots' System Board of Adjustment" as provided for in Section 29 of this Agreement, provided such appeal is made within thirty (30) days from the date of receipt by the pilot, or his duly accredited representative, of the decision of the Manager — Flight. All submissions to the System Board of Adjustment shall be made in conformity with paragraph (g) of Section 29 of this Agreement.

D. Pilots Acting As Witness or Representative

When, under the operation of this Agreement, a pilot hereunder is chosen to act as the representative of or a witness for another pilot against whom charges have been preferred, such pilot shall, when the requirements of the service permit, be given leave of absence for a time sufficient to permit him to appear as such representative or witness.

SECTION 28
GRIEVANCES

Any pilot, or group of pilots, hereunder, who have a grievance concerning any action of the Company affecting them shall be entitled to the same right of investigation and hearing and the same privileges concerning appeal as are accorded herein to individual pilots.

SECTION 29
SYSTEM BOARD OF ADJUSTMENT

A. Establishment

In compliance with Section 204, Title II, of the Railway Labor Act, as amended, there is

hereby established a system board of adjustment for the purpose of adjusting and deciding disputes which may arise under the terms of this Agreement and which are properly submitted to it, which board shall be known as "American Airlines Pilots' System Board of Adjustment," hereinafter referred to as the "Board".

B. Membership

The Board shall consist of four (4) members, two (2) of whom shall be selected and appointed by the Association and two (2) by the Company, and such appointees shall be known as "Adjustment Board Members".

C. Length of Service

The four (4) members shall serve for one (1) year from the date of their appointment or until their successors have been duly appointed. Vacancies in the membership of the Board shall be filled in the same manner as is provided herein for the selection and appointment of the original members of the Board.

D. Jurisdiction

The Board shall have jurisdiction over disputes between any employee covered by this Agreement and the Company growing out of grievances or out of interpretation or application of any of the terms of this Agreement. The jurisdiction of the Board shall not extend to proposed changes, in hours of employment, rates of compensation or working conditions covered by this Agreement.

E. Responsibility

The Board shall consider any dispute properly submitted to it by the President of the Association or by the Vice President—Flight of the Company, when such dispute has not been pre-

viously settled in accordance with the terms provided for in this Agreement.

F. Appointments

Appointments of members of the Board shall be made by the respective parties within thirty (30) days from the date of the signing of this Agreement and said appointees shall meet in the City of New York, New York, within forty-five (45) days from the date of the signing of this Agreement, and shall organize and select a Chairman and a Vice-Chairman, both of whom shall be members of the Board. The term of the office of Chairman and Vice-Chairman shall be one (1) year. Thereafter the Board shall designate one of its members to act as Chairman and one to act as Vice-Chairman for one (1) year terms. Each officer so selected shall serve for one (1) year and until his successor has been duly selected.

The office of Chairman shall be filled and held alternately by an Association member of the Board and by a Company member of the Board. When an Association member is Chairman a Company member shall be Vice-Chairman and vice-versa. The Chairman, or in his absence, the Vice-Chairman, shall preside at meetings of the Board and at hearings and shall have a vote in connection with all actions taken by the Board.

After the organization meeting referred to herein, the Board shall thereafter meet in the City where the general offices of American Airlines, Inc., are maintained (unless a different place of meeting is agreed upon by the Board) during the first week in April and the first week in October of each year provided that at such times there are cases filed with the Board for consideration, and shall continue in session until

all matters before it have been considered, unless otherwise mutually agreed upon.

G. Submission of Disputes

All disputes properly referred to the Board for consideration shall be addressed to the Chairman. Five (5) copies of each petition, including all papers and exhibits in connection therewith, shall be forwarded to the Chairman, who shall promptly transmit one (1) copy thereof to each member of the Board. Each case submitted shall show:

1. Question or questions at issue.
2. Statement of facts.
3. Position of employee or employees.
4. Position of Company.

When possible joint submissions should be made, but if the parties are unable to agree upon a joint submission then either party may submit the dispute and its position to the Board. No matter shall be considered by the Board which has not first been handled in accordance with the appeals provisions of this Agreement, including the rendering of a decision thereon by the Vice President—Flight of the Company.

H. Hearing

Upon receipt of notice of the submission of a dispute, the Chairman shall set a date for hearing which shall be at the time of the next regular meeting of the Board, or, if at least two (2) members of the Board consider the matter of sufficient urgency and importance, then at such earlier date and at such place as the Chairman and Vice-Chairman shall agree upon, but not more than fifteen (15) days after such request for meeting is made by at least two (2) of said members and the Chairman shall give the necessary notices in writing of such meeting to

the Board members and to the parties to the dispute.

I. Representation

Employees covered by this Agreement may be represented at Board hearings by such person or persons as they may choose and designate, and the Company may be represented by such person or persons as it may choose and designate. Evidence may be presented either orally or in writing or both.

On request of individual members of the Board, the Board may, by majority vote, or shall at the request of either the Association representatives or the Company representatives thereon, summon any witnesses who are employed by the Company and who may be deemed necessary by the parties to the dispute, or by either party, or by the Board itself, or by either group of representatives constituting the Board.

The number of witnesses summoned at any one time shall not be greater than the number which can be spared from the operation without interference with the services of the Company.

J Majority Vote

A majority vote of all members of the Board shall be competent to make a decision.

K. Decisions Final

Decisions of the Board in all cases properly referable to it shall be final and binding upon the parties hereto.

L. Deadlocks

When a deadlock occurs in a case properly submitted to the Board, it shall be the duty of the Board to endeavor to reach a decision, and failing in this, to endeavor to agree within thirty (30) days upon a procedure for breaking such

deadlock. In any case involving dismissal, disciplinary action, interpretation or application of any of the terms or provisions of this Agreement where the said System Board of Adjustment becomes deadlocked and is unable to reach a decision upon a method for breaking the deadlock within the above-prescribed thirty (30) days, either the Company or the Association may petition the National Mediation Board for the appointment of a neutral referee to sit with the System Board of Adjustment as a member thereof. Such Board of Adjustment, as then constituted shall consider the dispute pending before it, and a majority vote of the Board shall be final, binding, and conclusive upon the Company and the Association and anyone they may represent having an interest in the dispute. In case neither the Company nor the Association petitions the National Mediation Board within thirty (30) days after the thirty-day period prescribed in this paragraph for breaking deadlocks, the matter in question shall be deemed by all parties concerned to be ended and no action thereon shall be taken thereafter by either party.

M. Rights and Privileges Of Parties

Nothing herein shall be construed to limit, restrict or abridge the rights or privileges accorded either to the employees or to the employer, or to their duly accredited representatives, under the provisions of the Railway Labor Act, as amended, and the failure to decide a dispute under the procedure established herein shall not, therefore, serve to foreclose any subsequent rights which such law may afford or which may be established by the National Mediation Board by orders issued under such law with respect to disputes which are not decided under the procedure established herein.

N. Records

The Board shall maintain a complete record of all matters submitted to it for its consideration and of all findings and decisions made by it.

O. Expenses—Board Members

Each of the parties hereto will assume the compensation, travel expense and other expenses of the Board members selected by it.

P. Expenses—Witnesses

Each of the parties hereto will assume the compensation, travel expense and other expenses of the witnesses called or summoned by it. So far as space is available, witnesses who are employees of the Company shall receive free transportation over the lines of the Company from the point of duty or assignment to the point at which they must appear as witnesses and return, to the extent permitted by law.

Q. Other Expenses

The Chairman and Vice-Chairman, acting jointly, shall have the authority to incur such other expenses as in their judgment may be deemed necessary for the proper conduct of the business of the Board and such expense shall be borne one-half by each of the parties hereto. Board members who are employees of the Company shall be granted necessary leaves of absence for the performance of their duties as Board members. So far as space is available, Board members shall be furnished free transportation over the lines of the Company for the purpose of attending meetings of the Board to the extent permitted by law.

R. Freedom to Discharge Duties

It is understood and agreed that each and every Board member shall be free to discharge

his duty in an independent manner, without fear that his individual relations with the Company or with the employees may be affected in any manner by any action taken by him in good faith in his capacity as a Board member.

SECTION 30
GENERAL

A. Bulletin Board

The Company shall provide a glass covered bulletin board at each station where pilots are based for the posting of matters of Association business. Such posted material shall bear the signature of initials of the Local Domicile Chairman, and shall not contain anything of a defamatory or personal nature attacking individuals or groups.

B. Personnel File

An individual personnel file shall be maintained on each pilot in the employ of the Company, which shall contain all semi-annual progress reports and all written orders issued to him affecting a change of base station or status. Copies of all reports, orders, and all practice, training and flight checks shall be available for individual inspection by the pilot during regular business hours. A pilot shall be advised of any material of a critical or unfavorable nature at the time such material is placed in his personnel file.

C. Proficiency and Line Check Notification

The Company will post by at least fourteen (14) days in advance the names of all pilots due a proficiency or a line check.

D. Copies of Agreement

The Company shall provide each pilot with

a copy of this Agreement, printed and bound in a convenient pocket-size booklet.

E. No pilot shall be required to pay for the use of any Company equipment required for his training.

F. Abrogation of Rights

It is understood and agreed that the rights of any pilot covered by this Agreement shall not be abrogated in any way by the provisions of any other labor agreement, and no such pilot shall be permitted to accrue rights in abrogation of the terms of this Agreement.

G. Air Transportation

Pilots transferring from one base station to another shall be provided free transportation passes over the lines of the Company for themselves and members of their immediate family, subject to space available, to the extent permitted by law.

H. Orders to be in Writing

1. All orders to pilots involving a change in assignment of base stations, promotions, demotions, furloughs, and leaves of absence, shall be stated in writing, except that temporary assignment of reserve pilots as first pilots or co-pilots shall not be construed as requiring a written order other than the necessary flight forms.

2. All orders to pilots involving a change in assignment shall stipulate manner and amount of expenses, if any, in connection with such new assignment.

I. In the event a pilot's trip originates at one terminal and terminates at another terminal at

his regular home domicile, said pilot shall be furnished transportation one way between one terminal and the other at his option.

J. Group Insurance Contributions

Effective August 1, 1963, the Company will assume 30% of the cost of pilot (other than retirees and exclusive of optional insurance) only coverage under the Group Insurance Plan. Effective January 1, 1964, the Company will assume a total of 75% of such cost. Pilots who are members of the Plan on August 1, 1963 will be eligible for the above benefits as of that date. A pilot who joins the Plan after August 1, 1963 will become eligible for those benefits on January 1 and July 1 next following his entry into the Plan. The present rule relating to the taking of physical examinations will continue in effect.

Although it is the intention of American Airlines, Inc. to continue to make available to its Pilots a group insurance plan of a type similar to that which is now available to them, the Company will reserve the right to modify the Plan and/or pass on any increase in cost which is assessed against it by the insurance company.

SECTION 31
AMENDMENTS TO AGREEMENT

Either party hereto may at any time propose in writing to the other party any amendment which it may desire to make to this Agreement, and if such amendment is agreed to by both parties hereto, such amendment shall be stated in writing, signed by both parties and the amendment shall then be deemed to be incorporated in and shall become a part of this Agreement.

SECTION 32
EFFECT ON PRIOR AGREEMENTS

This Agreement shall supersede and take precedence over all Agreements, Supplemental Agreements, Amendments, Letters of Understanding and similar related documents executed between the Company and the collective bargaining representative of the pilots in the service of American Airlines, Inc. prior to the signing of this Agreement, except for the Letter of Agreement dated January 21, 1959 which Letter of Agreement shall be subject to the provisions of this Agreement and the related document which appears herein as Appendix H, provided that all rights and obligations, monetary or otherwise, which may have accrued because of services rendered prior to the effective dates of this Agreement shall be satisfied or discharged.

SECTION 33
DURATION

This Agreement shall become effective July 9, 1963 except as otherwise stated herein, and shall continue in full force and effect until July 8, 1965 and shall renew itself without change until each succeeding July 8th thereafter, unless written notice of intended change is served in accordance with Section 6, Title I of the Railway Labor Act, as amended, by either party hereto at least sixty (60) days prior to July 8, 1965 or July 8 of any subsequent year.

IN WITNESS WHEREOF, the parties hereto have signed this Agreement this 9th day of July 1963.

WITNESS: FOR AMERICAN AIRLINES, INC.

James J. Lamond, Jr.

G. Marion Sadler
Vice President &
General Manager

E. J. Mahon

W. B. Whitacre
Vice President-Personnel

H. B. Benninghoff

A. Di Pasquale
Assistant Vice President—
Labor Relations

WITNESS: FOR THE AIR LINE PILOTS IN THE SERVICE OF AMERICAN AIRLINES, INC. as Represented by ~~ALLIED~~ PILOTS ASSOCIATION

Nicholas J. O'Connell, Jr.
President

J. R. Lyons
Robert T. Guba
Paul G. Atkins
Joseph P. Garvey
Ralph L. Harkenrider

APPENDIX A

JOINT UNDERSTANDING AS TO CERTAIN APPLICATIONS UNDER SECTION 21-C and E OF THE BASIC AGREEMENT BETWEEN THE PARTIES, EFFECTIVE JULY 9, 1963

IT IS MUTUALLY AGREED AS FOLLOWS:

1. Notwithstanding the provisions of Sections 21-C and 21-E of the Agreement between the parties effective July 9, 1963, it is understood and agreed that in the specific instance where a pilot is scheduled to fly from A to B, lay over, and then deadhead from B to A, and the layover has been scheduled because the Company cannot schedule the pilot to return to B within the first duty period due to the thirteen (13) hour limitation (as set forth in this Section 21), such pilot may request, under Section 21-C-3(d) that he be permitted to deadhead home in the first duty period, and the Company may if it chooses, permit him. However, he shall be paid and credited for the scheduled second duty period in lieu of the extension of the first duty period.

2. This understanding shall be deemed to be a part of the Basic Agreement, and, particularly, Section 21 thereof.

IN WITNESS WHEREOF, the parties hereto have signed this Joint Understanding this 9th day of July, 1963.

FOR AMERICAN AIRLINES, INC.

W. B. Whitacre

FOR ALLIED PILOTS ASSOCIATION

Nicholas J. O'Connell, Jr.

APPENDIX B

AGREEMENT BETWEEN AMERICAN AIRLINES, INC. AND THE AIR LINE PILOTS IN THE SERVICE OF AMERICAN AIRLINES, INC., AS REPRESENTED BY ALLIED PILOTS ASSOCIATION, COVERING THE ESTABLISHMENT AND PROCEDURES FOR ALLIED PILOTS ASSOCIATION REGULAR MEMBERSHIP DUES CHECK OFF.

IT IS MUTUALLY AGREED THAT:

A. The Company agrees to deduct from the monthly pay of each pilot employee and remit to the Allied Pilots Association membership dues uniformly levied (not including initiation fees, fines, penalties or assessments) in accordance with the Constitution and By-Laws of the Union and as prescribed by the Railway Labor Act, as amended, a monthly amount equal to the Union's regular and usual monthly dues, which monthly amount would be required to be paid by such pilot if a member, provided such pilot voluntarily executes the following agreed-upon form, known as the "Check-Off Form," which shall be prepared and furnished by the Allied Pilots Association.

ASSIGNMENT AND AUTHORIZATION FOR CHECK-OFF OF UNION DUES

ALLIED PILOTS ASSOCIATION

(Name of Organization)

To: American Airlines, Inc.
Attention: Manager-Payroll
633 Third Avenue
New York 17, N. Y.

I, ...,

(Print name, initials and surname)

hereby assign to Allied Pilots Association, my

Union dues from any wages earned or to be earned by me as your employee. I authorize and direct you to deduct from my pay each month the standard monthly Union dues, in the amount of one and one-half per cent (1½%) of my gross earnings (or such monthly dues as may hereafter be established in accordance with the Constitution and By-Laws of the Union as my membership dues).

This assignment, authorization, and direction may be revoked by me in writing at any time after the expiration of one year from the date hereof, or upon the termination date of the dues Check-Off Agreement between the Company and the Union, whichever occurs sooner.

This authorization and direction is made subject to the provisions of the Railway Labor Act, as amended, and in accordance with the Check-Off Agreement between the Union and the Company.

Signature of Employee.....

Employee No. .....

Station .....

Dated: .....

B. All Check-Off forms will be submitted through the SECRETARY-TREASURER of ALLIED PILOTS ASSOCIATION who will forward the original signed copy to the Manager-Payroll of the Company, care of American Airlines, Inc., 633 Third Avenue, New York 17, N. Y. A properly executed Check-Off form, filed before the 15th of any month will become effective the 1st of the month following its receipt by the

Manager-Payroll of the Company. Illegible or improperly executed forms will be returned to the said Secretary-Treasurer of the Allied Pilots Association.

C. Any notice of revocation as set forth in the Check-Off Form must be in writing, signed by the pilot, and delivered by registered mail, addressed to the Manager-Payroll of the Company, with copy to the Secretary-Treasurer of the Allied Pilots Association. Check-Off Forms and notices so received by the Company will be stamp-dated on the date received and will constitute notice to the Company on the date received and not when mailed.

D. The Company will remit to the Allied Pilots Association a check in payment of all dues collected each month, as soon as possible after the payday on which deduction was made. These remittances will be subject to normal accounting practice with respect to adjustments necessary because of the methods involved in the deduction procedure. The Company remittance of Union membership dues to the Union will be accompanied by a list of names, employee numbers, station numbers and amounts of deductions of the pilots for whom deductions have been made in that particular month, arranged in order of their employee numbers.

E. 1. No deductions of Union dues will be made from the wages of any pilot who has executed a Check-Off Form and who has been transferred to a job not covered by the existing Basic Agreement entered into by the parties, or who is transferred to supervisory duties, or who is on leave without pay. Upon return to work as a line pilot, deductions will be automatically resumed as heretofore, provided the

pilot has not revoked the assignment in accordance with this Agreement, and provided it is in accordance with the other appropriate provisions of this Agreement and of the Railway Labor Act, as amended.

2. A pilot who has executed a Check-Off Form and who resigns or is otherwise terminated from the employ of the Company shall be deemed to have automatically revoked his assignment and if he is recalled or reemployed, further deductions of Union dues will be made only upon execution and receipt of a new Check-Off Form.

F. Collection of any back dues owed at the time of starting deductions for any pilot, and collection of dues missed because the pilot's earnings were not sufficient to cover the payment of dues in the specific pay period, and collection of dues missed because of accidental errors in the accounting procedures, will be the responsibility of the Union and will not be subject of payroll deductions, and the Company shall not be responsible in any way because of such missed collections.

G. Deductions of membership dues shall be made from the end of the month paycheck on the basis of one and one-half percent (1½%) of gross earnings, provided there is a balance in such paycheck sufficient to cover the amount after all other deductions authorized by the employee or required by law have been satisfied. In the event of termination of employment, the obligation of the Company to collect dues shall not extend beyond the month in which the pilot's last day of work occurs.

H. In cases where a deduction is made which duplicates a payment already made to the Union by a pilot, and where a deduction is not in conformity with the provisions of the Union Constitution and By-Laws, refunds to the pilot will be made by the Union.

I. American Airlines, Inc. shall not be held liable for any claims which may be made by the pilots by virtue of the wrongful (other than willful) application or misapplication of any of the terms herein.

J. This Agreement shall become effective July 9, 1963 and shall be deemed to be a part of the Basic Agreement and shall continue in full force and effect in accordance with the provisions set forth in Section 33 of the Basic Agreement, effective July 9, 1963.

IN WITNESS WHEREOF, the parties hereto have signed this Agreement this 9th day of July, 1963.

WITNESS: FOR AMERICAN AIRLINES, INC.

James J. Lamond, Jr.

G. Marion Sadler
Vice President &
General Manager

E. J. Mahon

W. B. Whitacre
Vice President-Personnel

H. B. Benninghoff

A. Di Pasquale
Assistant Vice President
Labor Relations

WITNESS: FOR THE AIR LINE PILOTS IN THE SERVICE OF AMERICAN AIRLINES, INC. as Represented by ALLIED PILOTS ASSOCIATION

Nicholas J. O'Connell, Jr.
President

J. R. Lyons
Robert T. Guba
Paul G. Atkins
Joseph P. Garvey
Ralph L. Harkenrider

APPENDIX C

SUPPLEMENTAL AGREEMENT
between
AMERICAN AIRLINES, INC.
and
THE AIR LINE PILOTS
in the service of
AMERICAN AIRLINES, INC.
as represented by
ALLIED PILOTS ASSOCIATION

THIS SUPPLEMENTAL AGREEMENT is made and entered into in accordance with the provisions of the Railway Labor Act, as amended, by and between AMERICAN AIRLINES, INC. (hereinafter known as the "Company") and the Air Line Pilots in the service of AMERICAN AIRLINES, INC. as represented by the ALLIED PILOTS ASSOCIATION, (hereinafter known as the "Association").

WHEREAS, the Company and the Association have entered into an agreement setting forth certain understandings for the conversion from four-man to three-man cockpit crews on turbo-jet aircraft, and

WHEREAS, such conversion shall be effected in accordance with the timetable specified in the Supplemental Agreement effective July 9, 1963, covering an implementation schedule for certain provisions of the Basic Agreement,

IT IS MUTUALLY UNDERSTOOD AND AGREED:

A. Furlough Protection

1. No pilot whose name appears on the Pilots' System Seniority List as of July 1, 1963 shall be furloughed who, were it not for the con-

version from four-man to three-man cockpit crews on turbojet aircraft, would have continued in the active employ of the Company. In applying this criteria, the system manning requirements at that time will be determined on the basis of operation of turbojet aircraft with four-man crews as required by the Second Officer Memorandum of Understanding.

2. The Company's right to furlough pilots for other reasons than that set forth in subparagraph 1 above shall remain unaffected by this Supplemental Agreement. "Other reasons" as used herein shall include but not be limited to such reasons as an Act of God, a National Emergency, revocation of the Company's operating certificate or certificates, grounding of a substantial number of the Company's aircraft, any strike causing a temporary cessation of work.

B. Pay Protection

1. No pilot whose name appears on the Pilots' System Seniority List as of July 1, 1963, shall suffer any reduction in earnings as the result of the transition to and operation of three-man cockpit crews rather than four-man cockpit crews in turbojet aircraft operated by the Company subject to the following limitations:

a. During the period between October 1, 1963 and March 1, 1964, the senior pilot who is eligible for pay protection under these provisions shall be that pilot who concurrent with the abolition of Second Officer flying assignments on turbojet aircraft loses Bid Copilot status.

b. During that period between March 2, 1964 and March 31, 1964, the senior pilot who is eligible for pay protection under these

provisions shall be that pilot who lost Bid Copilot status on October 1, 1963 or November 1, 1963 and who on March 2, 1964 failed to regain such Bid Copilot status.

c. Effective April 1, 1964 and continuing thereafter, the senior pilot who is eligible for pay protection under these provisions shall be that pilot who lost Bid Copilot status on October 1, 1963 or subsequent to that and who has failed to regain such Bid Copilot status.

d. The senior pilot, as defined in paragraphs a, b and c above, and each pilot junior to such pilot shall be entitled to monthly pay protection. Under this provision a pilot's monthly pay protection shall be equal to 93% of the weighted average of his monthly gross earnings in the sixth month period preceding the effective date of this Agreement, provided that if such pilot selects and is awarded a trip selection which, on the basis of scheduled flight time plus applicable credited time, produces a lower gross pay than the highest paying selection to which such pilot's seniority would entitle him, his guarantee shall be reduced by the dollar difference between the two selections.

2. Claims or grievances arising under the provisions of this paragraph B shall be processed in the same manner as other grievances may be processed under the provisions of the basic Agreement, except that claims arising under this paragraph B shall be presented to the Company within thirty (30) days from the date on which the pilot receives the paycheck on the basis of which he believes he has been unjustly dealt with in terms of the pay protection set forth in this paragraph B.

C. In the event a pilot is furloughed during the term of the basic Agreement, and he alleges that the furlough is in violation of the applicable provisions of this Supplemental Agreement, the furlough may be protested by an accredited representative of the Association on behalf of such pilot or pilots in accordance with the procedure set forth in paragraph D below. In such an instance, the burden of proof shall be on the Company.

D. 1. A protest pursuant to paragraph C shall be in writing and made within ten (10) days after the date of the notice of furlough.

2. The protest shall be submitted to the Company's Vice President — Flight, or his designated representative, and a reply shall be issued within five (5) days after receipt of the written protest. If the reply is not satisfactory, the matter may be appealed forthwith to the Special Board of Adjustment created herein for such purpose. If the matter is not so appealed within ten (10) days after the date of receipt by the pilot of the written reply issued by the Vice President—Flight, the protest shall be conclusively deemed withdrawn, and may not be resubmitted.

3. The Special Board of Adjustment shall consist of three (3) members: one appointed by the Company, one appointed by the Association President and Professor Russel A. Smith as Chairman. The jurisdiction of the Special Board of Adjustment shall be limited to claims arising under paragraphs A and C of this Supplemental Agreement, and the Board shall hear the evidence presented by the parties with respect to such claims.

4. The Special Board of Adjustment shall meet in New York as soon as feasible and no

later than thirty (30) days after it is notified that a case or cases have been submitted to it for consideration. A majority vote of the Board shall be competent to make a decision, and such decision shall be final and binding upon the parties, including the pilot or pilots involved. The Board's opinion and decision shall be in writing. The expenses of the Board, including the compensation of the Chairman, will be shared equally by the Company and the Association. A stenographic record will be taken if requested by either party to the dispute, and the expense of such record shall be borne equally by the Company and the Association.

IN WITNESS WHEREOF, the parties hereto have signed this Agreement this 9th day of July, 1963.

WITNESS: FOR AMERICAN AIRLINES, INC.

James J. Lamond, Jr.

G. Marion Sadler
Vice President &
General Manager

E. J. Mahon

W. B. Whitacre
Vice President-Personnel

H. B. Benninghoff

A. Di Pasquale
Assistant Vice President
Labor Relations

WITNESS: FOR THE AIR LINE PILOTS IN THE SERVICE OF AMERICAN AIRLINES, INC. as Represented by ALLIED PILOTS ASSOCIATION

J. R. Lyons
Robert T. Guba
Paul G. Atkins
Joseph P. Garvey
Ralph L. Harkenrider

Nicholas J. O'Connell, Jr.
President

APPENDIX D

SUPPLEMENTAL AGREEMENT
between
AMERICAN AIRLINES, INC.
and
THE AIR LINE PILOTS
in the service of
AMERICAN AIRLINES, INC.
as represented by
ALLIED PILOTS ASSOCIATION
covering
AN IMPLEMENTATION SCHEDULE FOR CERTAIN PROVISIONS OF THE BASIC AGREEMENT

THIS SUPPLEMENTAL AGREEMENT is made and entered into in accordance with the provisions of the Railway Labor Act, as amended, by and between AMERICAN AIRLINES, INC. (hereinafter known as the "Company") and the AIR LINE PILOTS in the service of AMERICAN AIRLINES, INC., as represented by ALLIED PILOTS ASSOCIATION (hereinafter known as the "Association").

WHEREAS, the Company and the Association have entered into an Agreement setting forth wages, rules and working conditions to be effective July 9, 1963, and

WHEREAS, certain new provisons relating to reduced flight time limitations, increased flight time credit provisions, on-duty and off-duty provisions, base bidding and vacation provisions require the training of additional pilots before such provisions can be implemented,

IT IS MUTUALLY AGREED AND UNDERSTOOD:

1. The increased vacation benefits afforded the

pilots under Section 13 shall become available to such pilots on January 1, 1964.

2. The provisions of Section 21A shall become effective on August 1, 1963 with the following exceptions:

a. From August 1, 1963 through November 30, 1963 eighty-five (85) credited hours shall constitute the monthly maximum for pilots on all aircraft, except that effective October 1, 1963 eighty (80) credited hours shall constitute the monthly maximum for pilots on Convair 990 aircraft, and effective November 1, 1963 eighty (80) credited hours shall constitute the monthly maximum for pilots on Boeing 707 aircraft.

b. From December 1, 1963 through March 1, 1964 eighty (80) credited hours shall constitute the monthly maximum for pilots on all aircraft.

3. The new provisions of Section 21D of the Agreement shall become effective for jet pilots on November 1, 1963 and for propeller pilots on December 1, 1963.

4. The provisions of Section 21C shall become effective on July 9, 1963 except that the new reduced duty time limitations shall become effective September 1, 1963.

5. The provisions of Section 21-E, 21-F, 21-G, 21-H and 21-I of the Agreemnt shall become effective no later than April 1, 1964. In the month of February, 1964, representatives of the pilots shall meet with the Company for purposes of determining if an earlier implementation date can be agreed upon for these sections. The provisions of Sections 8, 21-E and 21-F of the Basic Agreement dated January 21, 1959, as amended, and related documents, shall continue in

effect for first pilots and copilots until replaced by the new provisions of the Basic Agreement as set forth above.

6. The new provisions of Section 23L and 23M of the Agreement shall become effective on November 1, 1963, except that for the period November 1, 1963 through March 1, 1964, the monthly maximums set forth in paragraph 2. above shall be used in determining first pilot and copilot base bids on all equipment.

7. The new provisions of Sections 7; 10E, 11 and 23N shall become effective on August 1, 1963.

8. Except as otherwise provided in the Basic Agreement and except as otherwise provided in the Supplemental Agreement covering interim rates of pay, all provisions of the Agreement not specifically excepted in this Supplemental Agreement shall become effective on July 9, 1963.

9. In order to facilitate implementation of the reduced flight time limitations and increased flight time credit provisions of the Basic Agreement, the Company shall:

a. As soon as practicable and prior to September 1, 1963, publish to all pilots the distribution of flight time (including credited time) and the resultant base bids and manning requirements as it is estimated they will exist on December 1, 1963, March 2, 1964 and April 1, 1964.

b. At required intervals proffer prospective base vacancies in all pilot categories to be effective three (3) months after the date of proffer. Such base bids shall be predicated on the estimated scheduled flight time and estimated flight time credit to be allocated to each crew base in the months for which they are to be

effective. Pilots who are awarded such prospective base bids shall, as soon as is practicable, undergo such equipment training as may be necessary in order to qualify for flying in accordance with their seniority at their respective new bases, but base transfers shall not be effective until the month for which they are proffered.

This Supplemental Agreement shall become effective on July 9, 1963, shall run concurrently with the Basic Agreement effective July 9, 1963 and be subject to the provisions of Section 33 thereof.

IN WITNESS WHEREOF, the parties hereto have signed this Supplemental Agreement this 9th day of July, 1963.

WITNESS: FOR AMERICAN AIRLINES, INC.

James J. Lamond, Jr.

G. Marion Sadler
Vice President &
General Manager

E. J. Mahon

W. B. Whitacre
Vice President-Personnel

H. B. Benninghoff

A. Di Pasquale
Assistant Vice President
Labor Relations

WITNESS: FOR THE AIR LINE PILOTS IN THE SERVICE OF AMERICAN AIRLINES, INC. as Represented by ALLIED PILOTS ASSOCIATION

J. R. Lyons
Robert T. Guba
Paul G. Atkins
Joseph P. Garvey
Ralph L. Harkenrider

Nicholas J. O'Connell, Jr.
President

APPENDIX E

SUPPLEMENTAL AGREEMENT
between
AMERICAN AIRLINES, INC.
and
THE AIR LINE PILOTS
in the service of
AMERICAN AIRLINES, INC.
as represented by
ALLIED PILOTS ASSOCIATION
covering
INTERIM RATES OF PAY

THIS SUPPLEMENTAL AGREEMENT is made and entered into in accordance with the provisions of the Railway Labor Act, as amended, by and between AMERICAN AIRLINES, INC. (hereinafter known as the "Company") and the AIR LINE PILOTS in the service of AMERICAN AIRLINES, INC., as represented by ALLIED PILOTS ASSOCIATION (hereinafter known as the "Association").

WHEREAS, the Company and the Association have entered into an Agreement setting forth wages, rules and working conditions to be effective July 9, 1963, and

WHEREAS, certain provisions of this Agreement are contingent upon conversion from four-man to three-man cockpit crews on turbojet aircraft and a phased reduction of flight time limitations,

IT IS MUTUALLY AGREED AND UNDERSTOOD:

1. Effective August 1, 1963, during the period that all pilots shall be operating under an eighty-five (85) hour monthly flight time limitation, the following rates of pay shall be applicable to the pilots in the categories indicated:

DAY FLYING

Year of Svc.	707B	CV-990	720B	L-188	DC-7B	DC-7	DC-6B	DC-6
2	26.4640	26.1292	25.7944	20.2795	19.1356	19.0612	17.2663	16.9687
3	26.6500	26.3152	25.9804	20.4655	19.3216	19.2472	17.4523	17.1547
4	26.8267	26.4919	26.1571	20.6422	19.4983	19.4239	17.6290	17.3314
5	27.0127	26.6779	26.3431	20.8282	19.6843	19.6099	17.8150	17.5174
6	27.1894	26.8546	26.5198	21.0049	19.8610	19.7866	17.9917	17.6941
7	27.3754	27.0406	26.7058	21.1909	20.0470	19.9726	18.1777	17.8801
8	27.5521	27.2173	26.8825	21.3676	20.2237	20.1493	18.3544	18.0568
9	27.7381	27.4033	27.0685	21.5536	20.4097	20.3353	18.5404	18.2428

NIGHT FLYING

Year of Svc.	707B	CV-990	720B	L-188	DC-7B	DC-7	DC-6B	DC-6
2	28.9640	28.6292	28.2944	22.7795	21.6356	21.5612	19.7663	19.4687
3	29.1500	28.8152	28.4804	22.9655	21.8216	21.7472	19.9523	19.6547
4	29.3267	28.9919	28.6571	23.1422	21.9983	21.9239	20.1290	19.8314
5	29.5127	29.1779	28.8431	23.3282	22.1843	22.1099	20.3150	20.0174
6	29.6894	29.3546	29.0198	23.5049	22.3610	22.2866	20.4917	20.1941
7	29.8754	29.5406	29.2058	23.6909	22.5470	22.4726	20.6777	20.3801
8	30.0521	29.7173	29.3825	23.8676	22.7237	22.6493	20.8544	20.5568
9	30.2381	29.9033	29.5685	24.0536	22.9097	22.8353	21.0404	20.7428

B. Copilots

DAY FLYING

Year of Svc.	707B	CV-990	720B	L-188	DC-7B	DC-7	DC-6B	DC-6
2	13.2320	13.0646	12.8972	10.1398	9.5678	9.5306	8.6332	8.4844
3	15.9900	15.7891	15.5882	12.2793	11.5930	11.5483	10.4714	10.2928
4	16.3643	16.1601	15.9558	12.5917	11.8940	11.8486	10.7537	10.5722
5	16.7479	16.5403	16.3327	12.9135	12.2043	12.1581	11.0453	10.8608
6	17.1293	16.9184	16.7075	13.2331	12.5124	12.4656	11.3348	11.1473
7	17.5203	17.3060	17.0917	13.5622	12.8301	12.7825	11.6337	11.4433
8	17.9089	17.6912	17.4736	13.8889	13.1454	13.0970	11.9304	11.7369
9	18.3071	18.0862	17.8652	14.2254	13.4704	13.4213	12.2367	12.0402

NIGHT FLYING

Year of Svc.	707B	CV-990	720B	L-188	DC-7B	DC-7	DC-6B	DC-6
2	14.4820	14.3146	14.1472	11.3898	10.8178	10.7806	9.8832	9.7344
3	17.4900	17.2891	17.0882	13.7793	13.0930	13.0483	11.9714	11.7928
4	17.8893	17.6851	17.4808	14.1167	13.4190	13.3736	12.2787	12.0972
5	18.2979	18.0903	17.8827	14.4635	13.7543	13.7081	12.5953	12.4108
6	18.7043	18.4934	18.2825	14.8081	14.0874	14.0406	12.9098	12.7223
7	19.1208	18.9060	18.6917	15.1622	14.4301	14.3825	13.2337	13.0433
8	19.5339	19.3162	19.0986	15.5139	14.7704	14.7220	13.5554	13.3619
9	19.9571	19.7362	19.5152	15.8754	15.1204	15.0713	13.8867	13.6902

2. During the period that Jet Pilots will be operating under an eighty (80) hour monthly flight time limitation, the following will apply:

a. First Pilot — Jet Equipment

Years of Svc.	707-123B Day	707-123B Night	707-720B Day	707-720B Night	CV-990 Day	CV-990 Night
2	28.1961	30.6961	27.4847	29.9847	27.8404	30.3404
3	28.3938	30.8938	27.6823	30.1823	28.0380	30.5380
4	28.5815	31.0815	27.8700	30.3700	28.2258	30.7258
5	28.7791	31.2791	28.0677	30.5677	28.4234	30.9234
6	28.9669	31.4669	28.2554	30.7554	28.6111	31.1111
7	29.1645	31.6645	28.4530	30.9530	28.8088	31.3088
8	29.3522	31.8522	28.6408	31.1408	28.9965	31.4965
9	29.5499	32.0499	28.8384	31.3384	29.1941	31.6941

b. Copilot — Jet Equipment

Years of Svc.	●707-123B Day	●707-123B Night	707-720B Day	707-720B Night	CV-990 Day	CV-990 Night
2	14.0981	15.3481	13.7424	14.9924	13.9202	15.1702
3	17.0363	18.5365	16.6094	18.1094	16.8228	18.3228
4	17.4347	18.9597	17.0007	18.5257	17.2177	18.7427
5	17.8430	19.3930	17.4020	18.9520	17.6225	19.1725
6	18.2491	19.8241	17.8009	19.3759	18.0250	19.6000
7	18.6653	20.2653	18.2099	19.8099	18.4376	20.0376
8	19.0789	20.7039	18.2415	20.2415	18.8477	20.4727
9	19.5029	21.1529	19.6833	20.6833	19.2681	20.9181

3. Effective December 1, 1963, the provisions of Sections 4 and 5 and the pegged speeds set forth in Section 9B-1 of the Basic Agreement shall apply to First Pilots and Copilots on propeller equipment only.

4. Effective March 2, 1964, the provisions of Sections 4 and 5 and the pegged speed provisions of Section 9B 1 shall apply to all pilots.

This Supplemental Agreement shall become effective on July 9, 1963, and shall run concurrently with the Basic Agreement effective July 9, 1963, and be subject to the provisions of Section 33 thereof.

IN WITNESS WHEREOF, the parties hereto have signed this Supplemental Agreement, this 9th day of July, 1963.

WITNESS: FOR AMERICAN AIRLINES, INC.

James J. Lamond, Jr.
G. Marion Sadler
Vice President &
General Manager

E. J. Mahon
W. B. Whitacre
Vice President-Personnel

H. B. Benninghoff
A. Di Pasquale
Assistant Vice President
Labor Relations

WITNESS: FOR THE AIR LINE PILOTS IN THE SERVICE OF AMERICAN AIRLINES, INC. as Represented by ALLIED PILOTS ASSOCIATION

J. R. Lyons
Robert T. Guba
Paul G. Atkins
Joseph P. Garvey
Ralph L. Harkenrider
Nicholas J. O'Connell, Jr.
President

APPENDIX F

AMERICAN AIRLINES, INC.
633 Third Avenue
New York 17, New York

July 9, 1963

Mr. N. J. O'Connell, President
Allied Pilots Association
114 East 40 St.
New York 16, N. Y.

Dear Mr. O'Connell:

This will confirm our commitment on the revisions and amendments which will be made to the Pilot Plan effective as of the first calendar day of the first month following the date of signing of the basic Agreement so as to effect an improved Retirement Plan for Pilots:

1. The Company shall assume the Pilot employee's contributions of 3% of his Rate of Compensation towards basic retirement annuities. Further, the Company shall assume the Pilot employee's contribution of 4% of his Rate of Compensation to the variable annuity trust. The Company shall contribute an additional 2% of a Pilot employee's Rate of Compensation to the variable annuity trust, making a total contribution of 10% of a Pilot employee's Rate of Compensation to the variable annuity trust.

2. A Pilot employee who became a member of the Pilot Plan as of January 1, 1956, and remains a member to his Normal Retirement Date shall be entitled to a Normal Form benefit of a minimum of $600 per month (exclusive of Social Security Benefits and benefits due to Optional Contributions) at his Normal Retirement Date. A Pilot employee who becomes a member of the Pilot

Plan after January 1, 1956, and who retires after completing 240 months of membership in the Pilot Plan (computed from his date of membership in the Pilot Plan after January 1, 1956) shall be entitled to a normal form benefit of a minimum of $600 per month (exclusive of Social Security Benefits and benefits due to Optional Contributions) payable at Normal Retirement Date. If the Pilot employee has not completed 240 months of membership in the Pilot Plan, the $600 monthly minimum shall be reduced by applying the ratio of his actual months of completed membership in the Pilot Plan (computed from his date of membership in the Pilot Plan after January 1, 1956) to 240.

3. a. A Pilot employee who was a member of the Pilot Plan as of January 1, 1956, and who is eligible to retire early under that Pilot Plan and who so retires for reasons other than medical inability to continue as a Pilot employee, providing he has 240 months of membership computed from his date of membership in the Plan, shall receive the larger of his accrued pension or a normal benefit of a minimum of $600 per month (exclusive of Social Security Benefits and benefits due to Optional Contributions). Such amount shall be actuarially reduced. If such Pilot employee does not have 240 months of membership as of his early retirement date, the $600 minimum shall first be reduced by applying the ratio of his actual months of membership in the Plan to 240.

A Pilot employee who joined the Pilot Plan after January 1, 1956 and who is eligible to

retire early under that Pilot Plan and who so retires for reasons other than medical inability to continue as a Pilot employee, shall receive the larger of his accrued pension or the minimum provided for such Pilot employee in paragraph 2 hereof. Such amount shall be actuarially reduced.

b. A Pilot employee who is a member of the Pilot Plan and who is eligible to retire early under that Plan and who so retires because he is medically unable to continue as a Pilot employee, shall receive a normal form benefit equal to the larger of his accrued pension or $600 (exclusive of Social Security Benefits and benefits due to Optional Contributions). Such amount shall be reduced in accordance with the table set forth below. In the event the Pilot employee continues as an employee with the Company in another capacity all retirement benefits shall be deferred until his actual retirement.

Age	Percentage of Pension Payable under 3 (b)
60	100%
59	97
58	94
57	91
56	88
55	85
54	80
53	75
52	70
51	65
50	60

Note: In calculating pensions at intermediate ages between 50 and 60, an adjustment is made to allow for completed months.

c. Should a dispute arise in determining whether a Pilot employee is medically unable to continue as a Pilot for the Company, it shall be settled in accordance with the procedures established under Section 26 of the Agreement dated January 21, 1959 between the bargaining representative of the pilot union and the Company. In no event shall the pension payable under this paragraph 3(b) be applicable where the disability is:

i. Result of war, or any act of war, whether war is declared or not, or by any act of international armed conflict involving armed forces of any international authority.

ii. Resulted from or consists of habitual drunkenness or addiction to narcotics, or was contracted suffered or incurred while the Member was engaged in, or resulted from his having engaged in, a criminal enterprise, or was intentionally self-inflicted.

4. In the event a Pilot employee dies after reaching his 50th birthday and before the effective date of commencement of retirement benefits, the designated beneficiary of the Pilot employee shall receive a monthly pension equal to the monthly pension benefit the Pilot employee would have received as though he retired early and elected a 2/3 joint annuitant option as of the date of his death.

5. For purposes of benefits payable on termination of membership or death prior to age 50, a Pilot employee shall have cash vesting in:

a. An amount equal to 4% of his Rate of Compensation under the basic retirement annuity portion of the Plan, and,
b. The dollar value of units attributable to a contribution of 4% of his Rate of Compensation in the variable annuity trust.

Such cash vesting as set forth above shall be for service in the Pilot Plan after the first day of the calendar month following the date of the signing of the Agreement pertaining to current negotiations.

6. A Pilot employee may make optional additional contributions to the variable annuity trust in even multiples of 1% but not in excess of 7% of his Rate of Compensation. A Pilot employee may elect to change his rate of optional contributions once during any twelve-month period. The change in his rate of optional contributions shall be effective on the following July 1st.

The Company shall not be required to match such optional contributions nor shall any pension attributable to optional contributions be used in the determination of any minimum benefit hereunder.

7. The above items requiring a minimum benefit to be paid shall be effective for those pilots retiring after February 1, 1961, as of the effective date of the commencement of their benefits.

8. A Pilot employee who was a member of the Pilot Plan as it existed as of the day before the effective date of signing of the Agreement pertaining to current negotiations shall not lose any accrued rights as a result of these amendments.

9. Amendments to the Pilot Plan shall become effective upon approval by the Internal Revenue Service. In the event that the Pilot Plan as amended has not been approved within four (4) months, the parties will meet promptly in an attempt to make such changes as are necessary to obtain such approval. In the event that such approval has not been obtained within six (6) months, the pay sections of the basic Agreement between the parties shall be open for amendment.

10. For pilots who retire after July 9, 1963 due to medical disability, the following applies in lieu of paragraph 3 b. above:

"A Pilot employee who retires because he is medically unable to continue as a Pilot employee shall receive a normal form benefit equal to the larger of his accrued pension or $600 (exclusive of Social Security Benefits and benefits due to optional contributions), provided he has had 180 months of continuous participation in the Plan preceding his involuntary retirement. In the event the Pilot employee continues as an employee with the Company in another capacity, all retirement benefits shall be deferred until his actual retirement."

Very truly yours,

W. B. Whitacre
Vice President-Personnel

APPENDIX G

AMERICAN AIRLINES, INC.
633 Third Avenue
New York 17, New York

Mr. N. J. O'Connell, Jr.
President, Allied Pilots Association
114 East 40th Street
New York 16, New York

Dear Mr. O'Connell:

In the negotiations which led to the signing of the Basic Agreement between the parties effective July 9, 1963, your committee expressed interest in turbojet aircraft which might be purchased by the Company and placed into operation at some future date, which aircraft would be below 80,000 pounds maximum certificated gross weight.

In resolving the crew complement matter with respect to the turbojet aircraft in excess of 80,000 pounds maximum certificated gross weight, you made clear to us that such settlement was to be deemed without prejudice to whatever position the pilots might take in the future with respect to crew complement composition of any turbojet aircraft operated by the Company, which turbojet aircraft would be under 80,000 pounds maximum certificated gross weight.

In the same discussion, the Company has made equally clear that it does not waive any claims or rights it may have under applicable government laws or regulations, or otherwise, with respect to any aircraft whose maximum certificated gross weight is under 80,000 pounds or the crew complement composition thereof.

If this is a fair statement of the expressions conveyed to each other during discussions leading to the Agreement effective July 9, 1963, it would be appreciated if you signify your understanding by signing in the space on the left-hand side of this page.

Very truly yours,

/S/ W. B. Whitacre

W. B. Whitacre
Vice President — Personnel

/S/ Nicholas J. O'Connell, Jr.

Nicholas J. O'Connell, Jr.
President, Allied Pilots Association

Dated: July 9, 1963

APPENDIX H

SUPPLEMENTAL AGREEMENT
between
AMERICAN AIRLINES, INC.
and
THE AIR LINE PILOTS
in the service of
AMERICAN AIRLINES, INC.
as represented by
ALLIED PILOTS ASSOCIATION
covering
COPILOTS SERVING AS SECOND OFFICERS

THIS SUPPLEMENTAL AGREEMENT is made and entered into in accordance with the provisions of the Railway Labor Act, as amended, by and between AMERICAN AIRLINES, INC. (hereinafter known as the "Company") and the AIR LINE PILOTS in the service of AMERICAN AIRLINES, INC., as represented by ALLIED PILOTS ASSOCIATION (hereinafter known as the "Association").

WHEREAS, the Company and the Association have entered into an Agreement setting forth rates of pay, rules and working conditions for pilots effective July 9, 1963, and

WHEREAS, said Agreement makes no provision for the assignment of copilots to serve as Second Officers on the Company's jet aircraft or for rates of pay, rules or working conditions for copilots so assigned,

IT IS MUTUALLY AGREED AND UNDERSTOOD:

1. The Memorandum of Understanding dated January 21, 1959 covering the assignment of copilots to serve as Second Officers on the Company's jet aircraft shall continue to be applicable to Convair 990 aircraft until September 30, 1963

and shall be applicable to Boeing 707 aircraft until October 31, 1963.

2. Effective November 1, 1963, the Memorandum of Understanding dated January 21, 1959 covering the assignment of copilots to serve as Second Officers on the Company's jet aircraft shall be of no further force or effect.

3. The provisions of Section 23-M-2 of the basic Agreement dated January 21, 1959, as amended, shall continue in effect to and including October 31, 1963, provided, however that additional base vacancies resulting from the application of this provision shall be awarded to reinstatement rights holders but shall not otherwise be bulletined or awarded.

4. The provisions of Section 24-E-1 of the basic Agreement dated January 21, 1959, as amended, shall continue in effect to and including October 31, 1963, but only as related to the assignment of Bid Copilots to reserve copilot flying in the number determined under Section 23-M-2.

5. The following hourly rates of pay for copilots serving as Second Officers shall be effective August 1, 1963, and shall continue in effect to and including October 31, 1963.

a. Day Flying

Year of Service	707-123B	990	707-720B
2	9.2624	9.1452	9.0280
3	10.6600	10.5261	10.3922
4	10.7307	10.5968	10.4628
5	11.0752	10.9379	10.8007
6	11.6914	11.5475	11.4035
7	12.0452	11.8979	11.7506
8	12.3984	12.2478	12.0971
9	12.7595	12.6055	12.4515

b. Night Flying

Year of Service	707-123B	990	707-720B
2	10.1374	10.0202	9.9030
3	11.6600	11.5261	11.3922
4	11.7307	11.5968	11.4628
5	12.1002	11.9629	11.8257
6	12.7664	12.6225	12.4785
7	13.1452	12.9979	12.8506
8	13.5234	13.3728	13.2221
9	13.9095	13.7555	13.6015

This Supplemental Agreement shall become effective on July 9, 1963, shall run concurrently with the Basic Agreement effective July 9, 1963, and shall be subject to the provisions of Section 33 thereof.

IN WITNESS WHEREOF, the parties hereto have signed this Supplemental Agreement, on the 9th day of July, 1963.

WITNESS: FOR AMERICAN AIRLINES, INC.

James J. Lamond, Jr. G. Marion Sadler
Vice President &
General Manager

E. J. Mahon W. B. Whitacre
Vice President-Personnel

H. B. Benninghoff A. Di Pasquale
Assistant Vice President
Labor Relations

WITNESS: FOR THE AIR LINE PILOTS IN THE SERVICE OF AMERICAN AIRLINES, INC. as Represented by ALLIED PILOTS ASSOCIATION

J. R. Lyons
Robert T. Guba
Paul G. Atkins
Joseph P. Garvey
Ralph L. Harkenrider

Nicholas J. O'Connell, Jr.
President

APPENDIX I

LETTER OF AGREEMENT

between

AMERICAN AIRLINES, INC.

and

THE AIR LINE PILOTS

in the service of

AMERICAN AIRLINES, INC.

as represented by

ALLIED PILOTS ASSOCIATION

IT IS MUTUALLY AGREED THAT:

1. Within ninety (90) days after the Company signs a Civil Reserve Air Fleet Standby Contract with the Government of the United States, the Company shall meet with the Association representatives for purposes of negotiating pilot pay, rules and working conditions covering operations under such Contract.

2. In the event of a National Emergency requiring the Company's participation in an Overseas and Foreign Operation, the Company shall meet with Association representatives, without delay, for purposes of negotiating pilot pay, rules and working conditions covering such operation. With the understanding that rates of pay and other benefits negotiated in such Agreement shall be retroactive to the first day of such Overseas and Foreign Operation, the American Airlines pilots will cooperate fully with the Company in implementing such operations without delay.

IN WITNESS WHEREOF, the parties hereto have signed this letter of Agreement; this the 9th day of July, 1963.

WITNESS: FOR AMERICAN AIRLINES, INC.

James J. Lamond, Jr.

G. Marion Sadler
Vice President &
General Manager

E. J. Mahon

W. B. Whitacre
Vice President-Personnel.

H. B. Benninghoff

A. Di Pasquale
Asst. Vice President-
Labor Relations

WITNESS: FOR THE AIR LINE PILOTS IN THE SERVICE OF AMERICAN AIRLINES, INC. as Represented by ALLIED PILOTS ASSOCIATION

Nicholas J. O'Connell, Jr.
President

J. R. Lyons
Robert T. Guba
Paul G. Atkins
Joseph P. Garvey
Ralph L. Harkenrider

PAY GUIDE — FIRST PILOT HOURLY BASIS* — DAY FLYING

Equipment	Years of Accredited Service								
	2 yrs.	3 yrs.	4 yrs.	5 yrs.	6 yrs.	7 yrs.	8 yrs.	9 yrs.	10 yrs. or over
B-707-323-C	$31.44	$31.64	$31.83	$32.03	$32.22	$32.42	$32.61	$32.81	$33.00
B-707-123-D	30.04	30.24	30.43	30.63	30.82	31.02	31.21	31.41	31.60
CV-990	29.68	29.88	30.07	30.27	30.46	30.66	30.85	31.05	31.24
B-707-720-B	29.32	29.52	29.71	29.91	30.10	30.30	30.49	30.69	30.88
B-727	27.34	27.54	27.73	27.93	28.12	28.32	28.51	28.71	28.90
L-188	21.46	21.66	21.85	22.05	22.24	22.44	22.63	22.83	23.02
DC-7-B	20.23	20.43	20.62	20.82	21.01	21.21	21.40	21.60	21.79
DC-7	20.15	20.35	20.54	20.74	20.93	21.13	21.32	21.52	21.71
DC-6-B	18.11	18.31	18.50	18.70	18.89	19.09	19.28	19.48	19.67
DC-6/CV-240	18.01	18.21	18.40	18.60	18.79	18.99	19.18	19.38	19.57

*For guidance only. The Agreement itself is the final authority.

PAY GUIDE — FIRST PILOT — HOURLY BASIS* — NIGHT FLYING

Equipment	2 yrs.	3 yrs.	4 yrs.	5 yrs.	6 yrs.	7 yrs.	8 yrs.	9 yrs.	10 yrs. or over
B-707-323-C	$33.94	$34.14	$34.33	$34.53	$34.72	$34.92	$35.11	$35.31	$35.50
B-707-123-B	32.54	32.74	32.93	33.13	33.32	33.52	33.71	33.91	34.10
CV-990	32.18	32.38	32.57	32.77	32.96	33.16	33.35	33.55	33.74
B-707-720-B	31.82	32.02	32.21	32.41	32.60	32.80	32.99	33.19	33.38
B-727	29.84	30.04	30.23	30.43	30.62	30.82	31.01	31.21	31.40
L-188	23.96	24.16	24.35	24.55	24.74	24.94	25.13	25.33	25.52
DC-7-B	22.73	22.93	23.12	23.32	23.51	23.71	23.90	24.10	24.29
DC-7	22.65	22.85	23.04	23.24	23.43	23.63	23.82	24.02	24.21
DC-6-B	20.61	20.81	21.00	21.20	21.39	21.59	21.78	21.98	22.17
DC-6/CV-240	20.51	20.71	20.90	21.10	21.29	21.49	21.68	21.88	22.07

*For guidance only. The Agreement itself is the final authority.

PAY GUIDE — COPILOT — HOURLY BASIS* — DAY FLYING

Equipment	Years of Accredited Service								
	2 yrs.	3 yrs.	4 yrs.	5 yrs.	6 yr.	7 yrs.	8 yrs.	9 yrs.	10 yrs. or over
B-707-323-C	$15.7200	$18.9840	$19.4163	$19.8586	$20.2986	$20.7488	$21.1965	$21.6546	$22.1100
B-707-123-B	15.0200	18.1440	18.5623	18.9906	19.4166	19.8528	20.2865	20.7306	21.1720
CV-990	14.8400	17.9280	18.3427	18.7674	19.1898	19.6224	20.0525	20.4930	20.9308
B-707-720-B	14.6600	17.7120	18.1231	18.5442	18.9630	19.3920	19.8185	20.2554	20.6896
B-727	13.6700	16.5240	16.9153	17.3166	17.7156	18.1248	18.5315	18.9486	19.3630
L-188	10.7300	12.9960	13.3285	13.6710	14.0112	14.3616	14.7095	15.0678	15.4234
DC-7-B	10.1150	12.2580	12.5782	12.9084	13.2363	13.5744	13.9100	14.2560	14.5993
DC-7	10.0750	12.2100	12.5294	12.8588	13.1859	13.5232	13.8580	14.2032	14.5457
DC-6-B	9.0550	10.9860	11.2850	11.5940	11.9007	12.2176	12.5320	12.8568	13.1789
DC-6/CV-240	9.0050	10.9260	11.2240	11.5320	11.8377	12.1536	12.4670	12.7908	13.1119

*For guidance only. The Agreement itself is the final authority.

PAY GUIDE — COPILOT — HOURLY BASIS* — NIGHT FLYING

Equipment	2 yrs.	3 yrs.	4 yrs.	5 yrs.	6 yr.	7 yrs.	8 yrs.	9 yrs.	10 yrs. or over
B-707-323-C	$16.9700	$20.4840	$20.9413	$21.4086	$21.8736	$22.3488	$22.8215	$23.3046	$23.7850
B-707-123-B	16.2700	19.6440	20.0873	20.5406	20.9916	21.4528	21.9115	22.3806	22.8470
CV-990	16.0900	19.4280	19.8677	20.3174	20.7648	21.2224	21.6775	22.1430	22.6058
B-707-720-B	15.9100	19.2120	19.6481	20.0942	20.5380	20.9920	21.4435	21.9054	22.3646
B-727	14.9200	18.0240	18.4403	18.8666	19.2906	19.7248	20.1565	20.5986	21.0380
L-188	11.9800	14.4960	14.8535	15.2210	15.5862	15.9616	16.3345	16.7178	17.0984
DC-7-B	11.3650	13.7580	14.1032	14.4584	14.8113	15.1744	15.5350	15.9060	16.2743
DC-7	11.3250	13.7100	14.0544	14.4088	14.7609	15.1232	15.4830	15.8532	16.2207
DC-6-B	10.3050	12.4860	12.8100	13.1440	13.4757	13.8176	14.1570	14.5068	14.8539
DC-6/CV-240	10.2550	12.4260	12.7490	13.0820	13.4127	13.7536	14.0920	14.4408	14.7869

*For guidance only The Agreement itself is the final authority.

NOTES

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